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# Daily Report

# Central Eurasia

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# Daily Report
## Central Eurasia

*FBIS-SOV-96-023* *2 February 1996*

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## Terrorist Activity

### Russia: Witness Says Chechen Prisoners Abused in Groznyy

*LD0102185796 Moscow Radiostantsiya Ekho Moskvy in Russian 1600 GMT 1 Feb 96*

[FBIS Translated Text] Prisoners of the Groznyy filtration center are subjected to merciless torture. Our correspondent Anatoliy Adamchuk spoke to a witness of such abuses.

[Adamchuk] Ruslan Soslambekov, Chechnya's prominent political activist, leader of the international movement for peace and unity, became a prisoner accidentally. However, even with his reputation and connections, there was no quick release: Soslambekov spent almost one month in the filtration center and saw it from the inside. Chechens are being suspended off racks, attacked by dogs, and left in cold pits for a few days running without food or water. Most people, according to Soslambekov, are detained in the filtration camp only because they are Chechens.

[Begin Soslambekov recording] The forces who allegedly are bringing the constitutional order to the Chechen republic are all bandits. It does not matter for the Chechen people what their ethnic origin is. The existence itself of these filtration centers shows that the federal troops are there with a punitive mission, rather than with that of establishing constitutional order in Chechnya. [end recording]

[Adamchuk] According Soslambekov, prisoners are tortured in the filtration center on a daily basis. Representatives of the Russian Interior Ministry have strongly denied such facts, but any kind of verification appears to be impossible. The Chechen Prosecutor's Office attempted to conduct such verification, but the staff of the office were not even allowed to get near the door of the filtration center.

### Russia: Talks on Release of Chechen Hostages To Resume 2 Feb

*LD0102155696 Moscow ITAR-TASS in English 1531 GMT 1 Feb 96*

[By Gadzhi Shamov]

[FBIS Transcribed Text] MAKHACHKALA, February 1 (ITAR-TASS) — Talks on the release of 12 Russian policemen, taken hostage by Chechen guerrillas during their raid on Dagestan, will be resumed on Friday after a three-day break, the Dagestani Interior Ministry told ITAR-TASS on Thursday.

During the break, a delegation headed by Akhmed Adiyev, the police chief of the Dagestan town of Khasavyurt, accompanied five slightly wounded policemen, released by Dudayev's gunmen, to their native city of Novosibirsk.

The delegation is to return to Makhachkala on Thursday night, the source said.

Talks will be resumed at the Chechen militants' headquarters in the settlement of Novogroznenskiy. Adiyev and one of the leaders of the Dagestan national movement, on the one side, and Dudayev's chief of staff Aslan Maskhadov, on the other side, will be chief negotiators.

### Chechnya: Militants Want To Swap Engineers for Fighters

*LD0102143596 Moscow Radiostantsiya Ekho Moskvy in Russian 0900 GMT 1 Feb 96*

[FBIS Translated Text] Dudayev's militants who captured 29 Russian power engineers have demanded a meeting with Oleg Lobov, plenipotentiary of the Russian president in Chechnya. The Chechens want to exchange the hostages for 11 of their fighters who are being held as POWs by the federal troops.

### Russia: Dagestan Security Service Says 13 Hostages Dead

*LD0102223096 Moscow INTERFAX in English 1936 GMT 1 Feb 96*

[FBIS Transcribed Text] MAKHACHKALA, Feb 1 (INTERFAX) — According to latest reports, a total of 13 hostages died as a result of the operation against the group of Chechen rebels led by Salman Raduyev, carried out by federal forces in the village of Pervomayskoye in mid-January, sources in the Dagestani department of the Federal Security Service (FSB) told INTERFAX Thursday [1 February]. According to the department, no residents of Pervomayskoye were killed.

The fate of four hostages remains unclear. However, it is too early to list them as missing because there are contradictions in the lists of hostages provided to law-enforcement agencies by the Kizlyar administration, said the sources.

The Raduyev rebels raided the Dagestani town of Kizlyar on January 9 and took over 2,000 local residents hostage. Most hostages were released two days later. However, rebels took 160 hostages with them in an auto convoy which departed from Kizlyar towards the Chechen border.

Later the rebels were blocked by federal troops near the village of Pervomayskoye. The Chechen gunmen disarmed and took prisoner over 30 police officers from Novosibirsk who were patrolling a check point near Pervomayskoye.

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Over 90 hostages were freed as a result of the Pervomayskoye operation. The rebels suffered heavy losses but managed to break the blockade and flee to Chechnya, taking several dozen hostages with them, including the Novosibirsk police officers.

**Russia: Novosibirsk Militiamen Held Hostage Interviewed**

*LD0102224596 Moscow NTV in Russian 1900 GMT 1 Feb 96*

[From the "Segodnya" newscast]

[FBIS Translated Text] Difficult talks are continuing in Chechnya on the possible release of the militiamen who were taken hostage by terrorists and were taken from the village of Pervomayskoye in Dagestan. Today our special correspondents managed to find some of these hostages in Chechnya.

[Unidentified correspondent] There are still 12 Novosibirsk militiamen being held prisoner in Chechnya. They were taken prisoner by fighters on the outskirts of Pervomayskoye.

[Begin Kh. Israpilov recording, commander of the southwest front, identified by caption] I consider them to be Russia's hostages today [laughing] and all you journalists will probably have to save them from Russian pressure, because these people have already been written off for a long time now, do you see? They were written off in Pervomayskoye. [end recording]

[Correspondent] Dudayev's Colonel Israpilov claims that it was namely he who planned the operation in Kizlyar and now he intends to hold talks only with those who fought against him there — Mikhail Barsukov, Anatoliy Kulikov. His conditions are that all hostages should be exchanged for all fighters — 12 militia men for the 32 fighters taken prisoner on leaving Pervomayskoye. He said there will be no other deal. A meeting with three militiamen taken prisoner was organized for us in a Chechen mountain village. They do not know what Russia considers them to be — hostages or prisoners of war. They are being kept alright in Chechnya.

[Begin recording] [Unidentified correspondent to man in uniform] Are they feeding you?

[Kablukov, militia sergeant, identified by caption] Yes, they are. They let us sleep. The Chechen people, if it can be put like that, have not done us any harm.

[Correspondent] What did you eat today?

[Kablukov] We had plov.

[Unidentified male voice off screen] We ate in the evening, didn't we?

[Kablukov] We had soup and meat in the evening. Everything's alright in that respect. [end recording]

[Correspondent] Eleven of the militiamen are together. The 12th, a major, needs bandages and he has been taken to another village. They are not forced to work apart from cutting firewood for themselves. They pass their time as they want — playing cards, reading books, listening to Russia's Radio and the war that is taking place somewhere far away.

[Begin recording] [Correspondent] What do you talk about?

[Sergeant-Major Dyakonov, identified by caption] What is there to talk about if we have not been deciding anything since 10 January? There is talk about getting home as soon as possible. Everybody's got family, wives, and kids at home, or mothers at least. [end recording]

[Correspondent] The militiamen cannot pin any particular hopes upon the federal forces unless the Novosibirsk public brings pressure to bear. But at best they have a further week or two in captivity. [video shows fighter speaking to camera, militiamen seated on sofas interviewed in room, other men beside them, buildings shrouded in mist, close-up of footwear on mat near door]

**Russia: Chechen Rebels Said Seeking To Cause Religious Disputes**

*LD0102152196 Moscow INTERFAX in English 1316 GMT 1 Feb 96*

[FBIS Transcribed Text] MOSCOW, Feb 1 (INTERFAX) — The propaganda department of the regime led by Chechen separatist leader Dzhokhar Dudayev has drawn up a special program aimed at encouraging that part of the militants who are "losing faith in the cause of their struggle," a spokesman for the interior ministry's information department told INTERFAX in Moscow on Thursday.

He said the program "has manifest religious leanings and is aimed at causing rifts between different creeds."

The spokesman said the abduction of two Russian clergymen, Fathers Sergey and Anatoliy was part of the plan.

The information department says the separatists have imposed "a special tax" in areas under their control to help "wage the holy war."

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**Russia: Chechen Rebel Raduyev Demands Recognition for Dudayev**

*BR0102162896 Copenhagen POLITIKEN in Danish 1 Feb 96 p 13*

[Report incorporating an interview with Chechen hostage-taker Salman Raduyev by Sergey Rasuyev, identified as a Dagestan journalist; place and date not given]

[FBIS Summary] The report begins with an historical overview of the recent raid in Kizlyar and events in Pervomayskoye. Raduyev is then cited answering a number of retrospective questions about Kizlyar and Pervomayskoye and the preparations for and objective of the actions. Raduyev defends the taking of hostages. The interview ends with the following two questions and answers:

[Rasuyev] "Are you prepared to reach a compromise with the Russians?"

[Raduyev] "Yes, if this can save human lives. We are not intransigent in principle — we have never been, at least not before the Russians forced us to become intransigent. Personally I have never thought about fighting. I finished university and had completely different ideas about life. Such was the case with the majority of Chechens. They simply wanted to live in peace. But now many people are saying: When my son is grown he will also fight for our independence. We are an industrious people, we can manage without the Russians."

[Rasuyev] "What is your main demand?"

[Raduyev] "I demand that Moscow recognizes Dzhokhar Dudayev as Chechnya's legitimate president."

The interview contains no mention of Raduyev's whereabouts and no indication of his future plans.

## Military Activity

**Russia: Chechen Gunman Leader Announces 'Global Mobilization'**

*LD0202115096 Moscow INTERFAX in English 1143 GMT 2 Feb 96*

[FBIS Transcribed Text] GROZNYY, Feb 2 (INTERFAX) — A certain Hamzat, leader of Chechen gunmen in the Chechen Shelkovskaya region, has announced global mobilization in the region, a high-ranking source at the federal troops command in Chechnya told INTERFAX Friday [2 February].

He said the local residents had reported a concentration of gunmen near the settlements of Kargalinskaya and Chervlenaya. They said six KAMAZ trucks carrying gunmen had left the area for the 6th state collective farm of the Shelkovskaya region.

The state collective farm is located several kilometers away from the Dagestan Nagaysk region.

**Russia: Chechen Militants Said Planning Kabardino-Balkar Raid**

*LD0202111396 Moscow 2x2 Television in Russian 1000 GMT 2 Feb 96*

[FBIS Translated Text] According to the Russian intelligence service, Chechen field commanders Aslan Maskhadov, Shamil Basayev, and Salman Raduyev have developed a plan to attack and destroy aviation warehouses in the town of Prokhladnyy in Kabardino-Balkaria. INTERFAX has learned that the militants intend to carry out this operation in early February. It is expected that Maskhadov will supervize the operation.

**Russia: Troops in Chechnya Feel 'Acute Shortage of Funds'**

*LD0202075396 Moscow ITAR-TASS in English 0748 GMT 2 Feb 96*

[By Mikhail Shevtsov]

[FBIS Transcribed Text] MOSCOW, February 2 (ITAR-TASS) — Interior Ministry troops, including those fulfilling tasks in Chechnya, experience an acute shortage of funds, Lieutenant-General Stanislav Kavtun, deputy commander of interior troops, said in an interview with ITAR-TASS here on Friday [2 February].

Taking into account debts for last December and requirements for last January, interior troops needed 332,827 million rubles [figure as received] only for cash allowances and meals. However, the budget appropriated only 94 billion rubles.

Kavtun said that the ministry used this sum to pay mostly wage debts for the last year to interior troops, carrying out operations in Chechnya and to pay partially January wages to troops, departing for Chechnya as replacement.

Interior troops deployed outside Chechnya did not receive their cash allowances since last November.

According to the command of interior troops, their expenditures for operations in Chechnya totalled 670 billion rubles last year, but the state budget paid only 88 billion rubles. In principle, this means that the Chechen events force troops to spend their inner reserves for these operations to the detrement of their combat readiness.

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On the whole, the budget of interior troops for 1996 was approved to a sum, amounting to 32 percent of their needs. Railwaymen already warned the military of a possible suspension to haul military shipments because of their debts. However, this problem is not likely to be resolved.

According to information from Kavtun, only 11 percent of the needed sum was appropriated from the federal budget for railway haulage of interior troops.

Proposals by government officials to the military on possible ways of pulling out of a cash crisis look very strange. For instance they recommend to take credits from commercial banks.

However, banks give credits on mortgage. It is highly improbable that the state will benefit from a situation when the military will "mortgage" the level of their combat readiness.

**Russia: Troops' Morale in Chechnya 'Dangerously Declining'**

*LD0102221296 Moscow ITAR-TASS in English 1859 GMT 1 Feb 96*

[By Mikhail Shevtsov]

[FBIS Transcribed Text] MOSCOW, February 1 (ITAR-TASS) — Losses of federal forces in Chechnya in January of this year have been 28 killed and 95 wounded.

This figure is deductible from releases of the press service of federal troops.

However, interior and defence ministries declined to confirm it.

The deputy commander of Russian interior troops, Lieutenant- General Stanislav Kavun, told ITAR-TASS that the January casualties of interior troops, including those in the Kizlyar and Pervomayskoye, have been 24 killed and 150 wounded.

According to the Interior Ministry, federal forces seized in January some 30 small arms, 17 multiple missile launchers, 66 explosive devices and two armoured vehicles. Rebels' casulaties have been heavy, the ministry's spokesman said.

Kavun said the rebels have changed their tactics, balking at large-scale attacks now.

Operations of federal forces in Gudermes and Pervomayskoye have been serious blows to elite rebel groups and to their liasion and supply system, Kavun said.

This, the deputy commander said, explains the stepping up of saboteur acts by the rebels. He predicted that these tactics will be more actively employed by rebels.

Kavun also said there had been increasinly more rebel provocations against federal forces. Rebels often attack military auto convoys with the purpose of seizing arms and food, and hunt individual servicemen.

A Defence Ministry spokesman told ITAR-TASS that a group of military sociologists has returned from Chechnya. Its report says morale of federal troops "is dangerously declining".

The military operations near Gudermes and Pervomayskoye are widely seen by the army as a defeat of federal forces.

The military are critical of indecision of the Russian political and military leadership in handling the hostage-taking rebel groups.

The sociology experts forecast that the army's morale will be further eroded by the growing public protests against the presence of federal forces in Chechnya.

**Russia: OMON Unit Sent to Chechnya From Vladivostok**

*LD0102191296 Moscow ITAR-TASS in English 1444 GMT 1 Feb 96*

[By Eduard Popov]

[FBIS Transcribed Text] VLADIVOSTOK, February 1 (ITAR-TASS) — A 50-strong OMON [Special Purpose Militia Detachment] unit belonging to the Interior Department of the Maritime region has been sent from Vladivostok to Chechnya today. The OMON servicemen will be deployed in the area of Groznyy, Chief of the Maritime Interior Department Major-General Aleksandr Vasilyev told ITAR-TASS today.

Earlier, 100-strong joint units of militiamen, patrol units and traffic police had been sent to Chechnya from the Maritime region to take part in operations against Dudayev's bandit formations.

## Political Reaction

**Russia: CPRF Criticizes Government Policy on Chechnya**

*AU0102181396 Berlin NEUES DEUTSCHLAND in German 30 Jan 96 p 2*

[Interview with Leonid Ivanchenko, member of the Communist Party of the Russian Federation, member of the State Duma, and chairman of the parliamentary committee for regional policies, by Detlef D. Pries; place and date not given: "Has Russia Changed?"]

[FBIS Translated Text] [Pries] Has Russia changed after the election victory of the Communist Party of the Russian Federation [CPRF] six weeks ago?

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[Ivanchenko] Not yet. The rejection of the current government course by the society has been confirmed. The votes for us were an advance payment for the future, as it were. However, we cannot use it yet because the constitution makes the president omnipotent. People are already asking themselves why they voted if nothing changes.

[Pries] There have been some resignations and a few people have been replaced...

[Ivanchenko] The president and the government are alarmed, and they are seeking compromises. Yet they are hypocrites. Only a few days ago, the president announced that another 16 trillion rubles will be spent on "restoration" — that is, the continuation of the war in Chechnya. And this happens at a time when the budget, which is characterized by a deficit and which has been approved by parliament, provides merely 3 trillion for the health sphere and 2 trillion for science and education!

[Pries] What does the CPRF use its parliamentary strength for?

[Ivanchenko] Together with Ryzhkov's (former prime minister of the USSR) group of deputies and the Agricultural Party, we can expect 235 to 240 votes (out of 450). The chairmen of important committees, in which legislation is being prepared, belong to our party. We will examine what proposals of the last two years are really topical and useful. And we want to initiate 15 constitutional amendments.

[Pries] What about presidential elections?

[Ivanchenko] In fact, we reject the institution of the presidency, but we respect the constitution and will nominate our candidate.

[Pries] Whom will you nominate?

[Ivanchenko] The plenum of the CPRF has suggested Gennadiy Syuganov. Yet there are two more candidates in the party: Pyotr Romanov, former director of the collective combine in Krasnoyarsk, and Aman Tuleyev, a well-known politician from Kemerovo.

[Pries] Is support for a noncommunist candidate out of the question for you?

[Ivanchenko] Not in the first round. There will be candidates from all kinds of parties, so-called national patriots like Lebed and Rutskoy, and on the other side Yeltsin or Chernomyrdin, and Yavlinskiy and Zhrinovskiy will also run. Since none of them will achieve an absolute majority, a polarization will take place in the second round. We hope that we will then arrive at a common position with the national patriots.

[Pries] How would the CPRF settle the conflict in Chechnya?

[Ivanchenko] We have always been against a military solution, against using force against our own people. We are for the withdrawal of the troops from the republic and believe that the Chechnyan people should be granted the possibility to vote freely — and not at gun point — on its own leadership and its relationship with the Federation. I am convinced that they will decide to stay within the Russian Federation.

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**Duma: CIS Decision on Abkhazia Needs Ratifying**

*MM0102162996 Moscow ROSSIYSKAYA GAZETA in Russian 1 Feb 96 p 5*

[Unattributed report under the "In the State Duma" rubric: "Dispute Over Powers" — from the "Documents" section]

[FBIS Translated Text] The State Duma has adopted a decree appealing to the Russian Federation president in connection with the CIS Council of Heads of State draft decision "On Measures To Regulate the Conflict in Abkhazia, Georgia."

While instructing Duma Chairman G. Seleznev to send an appeal to Russian Federation President B. Yeltsin and Russian Federation Foreign Minister Ye. Primakov, the Duma at the same time recommended that the minister reinforce the Foreign Ministry legal department with skilled specialists in the sphere of international law.

The reason for this tough recommendation can been found in the actual text of the appeal to the president. The point is that the CIS Council of Heads of State draft decision "On Measures to Regulate the Conflict in Abkhazia, Georgia" stipulates what in the State Duma's view is an unacceptable procedure for implementing the document — from the moment it is signed. This wording was kept even after the document was initialed by one of the Foreign Ministry chiefs, and therefore by the ministry's legal department.

The State Duma believes, however, that on account of the Vienna Convention on the Law of International Treaties (subparagraph "a" of paragraph 1 of Article 2), this document constitutes a draft international treaty. Therefore, if it is signed by the heads of the CIS states, in accordance with the Federal Law "On Russian Federation International Treaties" (subparagraph "d" paragraph 1 Article 15), it is subject to ratification.

The State Duma has recommended that the signing of the CIS Council of Heads of State decision "On Measures To Regulate the Conflict in Abkhazia, Georgia," should proceed on the basis of the requirements in Article 15 of this law.

**CIS: ITAR-TASS Carries Press Review for 2 Feb**

*LD0202073896 Moscow ITAR-TASS in English 0704 GMT 2 Feb 96*

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW February 2 (ITAR-TASS) — Follows a review of today's Moscow-based Russian newspapers.

IZVESTIYA on the situation in Tajikistan and the role of Russia.

In a front-page article, the newspaper points out that "it would be better for Moscow to remain neutral" with regard to the inter-Tajik conflict. As long as President Emomali Rakhmanov "feels Moscow's support, one should not expect concessions from him or readiness for compromises", the article says.

Referring to a Tajik opposition spokesman, the article asserts that if no results are achieved at the current round of the inter-Tajik talks and if Moscow does not give up counting on the present regime, even such an option as the declaration of a "national lineration war" against Russia is not ruled out.

IZVESTIYA on Advertising Law breakers.

The newspaper reports that the Russian State Committee for Anti-Monopoly Policy moves on to tough measures with regard to violators of the Law on Advertising. As a result, a number of notorious cases involving some national and foreign firms is not ruled out in the near future, the article says.

KRASNAYA ZVEZDA on army financing and manning.

The newspaper carries an interview with Lieutenant General Lev Rokhlin, Chairman of the State Duma Committee on Defence. He is of the opinion that the approach to the army financing and manning matters should be changed, since herein is one of the main causes of the current plight of the armed forces.

The General believes that the Pervomayskoye operation should have involved combined-arms units, and not elite special-purpose ones, which are not meant for action in an ordinary combat with the use of heavy weapons.

TRUD on the correlation of political forces in the State Duma.

Vyacheslav Nikonov, President of the Politika Foundation, analyses the correllation of political forces of the Lower House of the Russian parliament. In particular, he explains by purely pragmatic considerations the rapprochement between the Communist Party and the Yabloko bloc and between the Liberal Democratic Party and Our Home is Russia.

ROSSIYISKAYA GAZETA on the situation in Chechnya.

"The aggravation of the situation in Chechnya is connected with an impending possibility of the termination of the conflict," Vladimir Kutyrev, Corresponding Member of the International Slav Academy, has told the newspaper.

Kutyrev is of the opinion that Moscow "should combine a real political support for the present legitimate

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authorities of Chechnya with a resolute supression of separatism which has assumed terrorist forms."

KOMSOMOLSKAYA PRAVDA on a Turkish special-purpose naval unit.

In view of the recent seizure of the ferry Avrasya by pro-Chechen terrorists, the newspaper tells about a Turkish special-purpose naval unit that was prepared to carry out an operation to free the ship.

ROSSIYSKIYE VESTI on first steps taken by newly-appointed officials.

The newspaper frontpages an article about the first steps which have been taken, following the recent personnel reshuffle in the Russian leadership, by the newly-appointed Chief of the Presidential Staff, the First Vice-Premier, the Foreign Minister, the Minister of Transport as well as by their predecessors who quit the posts.

In an other article, the newspaper criticises the Chamber of Adjudication on Informational Disputes to the President of the Russian Federation, blaming it for inaction over the fact that media provide air time and an opportunity to speak out for persons who are on the State wanted list for committed crimes.

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**Russia: No Duma Committee Consensus on START II Treaty**

*LD0202110696 Moscow ITAR-TASS in English 1024 GMT 2 Feb 96*

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, February 2 (ITAR-TASS) — The State Duma (Russian parliament lower house) Defence Committee could not reach as yet a consensus on ratification of the START-2 Treaty and intends to send this document to experts at the Defence Ministry, ITAR-TASS learned here on Friday [2 February] from a committee member who did not want to be identified.

According to the legislator, the preliminary examination of the treaty revealed different approaches to the assessment of its key provisions. The status of Russian strategic nuclear forces (SNF), if the document is ratified, became a stumbling block.

In the opinion of several committee members, they will lose the potential of a retaliatory strike and will stop to be a deterrent for a potential aggressor.

Apart from this provision causing differences, committee members could not find a consensus on the present state of Russian strategic nuclear forces. Financial difficulties of the Defence Ministry force the army and the navy to switch to group deployment of strategic forces.

This turns them into a vulnerable system for the first strike. The country has no funds now to disperse and maintain, in a regime of combat readiness, mobile land- and sea-based missile systems which will make up the backbone of Russian nuclear forces if the treaty is put into operation.

Several committee members regard a provision on the destabilising role of MIRVs as discriminatory for Russia. It turned out that the provision concerns only land-based systems, making up the mainstay of Russian SNF.

Similar sea-based missiles, with which the United States is armed, are not subject to be modernised into single-headed systems or to be liquidated.

Legislators doubt sincerity of U.S. congressmen who almost simultaneously ratified the START-2 Treaty and approved a plan for implementing a large-scale programme for deploying anti-missile defence systems.

These systems will ensure, by the year 2005, a guaranteed counteraction to 200 warheads of a simultaneous launching, which, according to calculations, can make in a potential of retaliatory actions by Russian strategic nuclear forces.

Taking into account these and other factors of the changing military and political situation in the world, committee members will evidently send the START-2 Treaty for examination to the Russian Defence Ministry in the near future. Only when competent specialists of the Russian General Staff make there findings, the State Duma will continue the debate of the Treaty.

**Russia: Duma Committee Chairman Against START II Ratification**

*LD0102183896 Moscow INTERFAX in English 1634 GMT 1 Feb 96*

[FBIS Transcribed Text] MOSCOW, Feb 1 (INTERFAX) — Aleksandr Mitrofanov, chairman of the State Duma Geopolitics Committee, said at a news conference in Moscow Thursday that SALT-2 (Strategic Arms Limitation Treaty-2) [name of treaty as received] infringes on Russia's national interests.

Mitrofanov, whose position is shared by his Liberal-Democratic Party (led by Vladimir Zhirinovskiy), said, however, that his party would support the ratification of the treaty if the U.S. met certain conditions. In particular, he believes, the U.S. must guarantee that NATO will not enlarge eastwards.

According to Mitrofanov, the Yabloko and Our Home is Russia groups in the Russian parliament want SALT-2 [as received] ratified while the Communists, the largest party group, are not keen on having it ratified before the presidential elections next summer. He thinks that the Communists would not want to quarrel with the army or the defense industry.

**Russia: Chernomyrdin U.S. Visit Seen Having Symbolic Importance**

*MK0202120796 Moscow NEZAVISIMAYA GAZETA in Russian 2 Feb 96 p 1*

[Report by Sergey Kashlev and Sergey Mitrofanov: "Viktor Chernomyrdin's Moral Success. On the Results of the Russian-U.S. Meeting on Economic and Technological Cooperation"]

[FBIS Translated Text] The latest, sixth session of the Gore-Chernomyrdin commission has ended in Washington. According to its participants, the commission's work was visibly influenced by the upcoming presidential elections in both countries. Because the next meeting is to take place a week after the presidential election in Russia, the concern and circumspection of the U.S. side over the changes in the Russian Government are only natural.

This must have been why Chernomyrdin had to convince the U.S. side that reform in Russia is not being

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put on hold or steered away from the course of the past four years.

However, the basic question of lifting restrictions on trade and economic relations with Russia, urged by the Russian side, has been postponed for the time being. Is spite of the fact that back in 1994 the joint statement by Presidents Boris Yeltsin and Bill Clinton entitled "Partnership for Economic Progress" officially defined Russia's status as a transitional economy, this status has not received any reflection in U.S. legislation. The result is an unduly tough and unfavorable procedure for establishing duties, the rate of which on Russian goods, including strategic materials, often exceeds 100 percent. This also refers to most-favored-nation status, which cannot be granted Russia on a permanent basis until the U.S. Congress repeals the Jackson-Vanik amendment.

True, both countries see the results of the meeting as satisfactory. At the end of the session, three agreements were signed on economic and technological cooperation in the sphere of the environment, defense conversion in the Russian military-industrial complex, and space. The Russian premier and the U.S. vice president also signed a document making amendments to the agreement on putting commercial satellites into orbit.

The agreement on supplies to the United States of low-enriched uranium from dismantled nuclear weapons marked a substantial shift in Russian-U.S. relations. Both sides were confronted with the need to track the origin, transit, and use of uranium. Although Russia managed to coordinate with the Americans the price for Russian uranium to be delivered in 1996, artificial restrictions on uranium supplies to the United States were not lifted. The program for dismantling the nuclear weapons of the former USSR will be discussed in more detail at the April G-8 meeting in Moscow. The sides also discussed the question of increasing the share of equipment and agricultural machinery in the structure of U.S. imports, cooperation in the agro-industrial complex and the forest industry, support for small businesses, and crime control in Russia's commercial sphere.

Nonetheless, Russian and U.S. officials clearly overestimate the Russian-U.S. meeting. This is understandable: The agreements will only begin to "work" after the presidential elections in both countries. When U.S. President Bill Clinton says that credits should be extended to Russia, he gives not material but rather moral support to his "friend Boris" and Prime Minister Viktor Chernomyrdin, whose position in Russian political circles is seen as rather shaky. The Clinton Administration also needs "success" in order to show the U.S. voter the results of support for the "undeviating course of Russian reform" and Russian-U.S. cooperation in the past four years. The Washington meeting is a signal by the U.S. Administration to the liberally-minded electorate in Russia as to whom they should vote for in the upcoming election.

**Russia: Aide Says Economic Ties With U.S. Aided by Commission**

*LD0202123496 Moscow INTERFAX in English 1040 GMT 2 Feb 96*

[FBIS Transcribed Text] MOSCOW, Feb 2 (INTERFAX) — The 7th meeting of the Russian-U.S. commission for economic and technological cooperation made "considerable progress in the resolution of priority problems of bilateral economic relations," Russian Prime Minister Viktor Chernomyrdin's international adviser Mikhail Tarasov told an exclusive INTERFAX interview Friday. The adviser had attended the commission meeting.

"The Russian delegation put the accent on implementation of bilateral agreements, and we managed to do a lot for this," said the adviser.

Commenting on the meeting results, the adviser said the Russian delegation hoped to sign a maximum of 5-6 agreements, but as it turned out 22 documents were signed, including those on ecology, cooperation in space exploration, health care, the timber industry, and nuclear security.

The commission agreed on financing of the production of the IL-96 M/T passenger plane equipped with engines of the U.S. Pratt and Whitney company and navigation devices of the Collins company, an increased Russian quota of commercial satellite launches from 9 to 20 till the year 2000, and access of Russian sports and hunter's guns to the U.S. market.

Tarasov described as a vivid success the decision of the U.S. state corporation for private investments abroad to finance 59 conversion projects in Russia with a total cost of about $2 billion.

Commenting on financing of the construction of 20 IL-96 M/T planes, the adviser stressed that "this issue was considerably expanded by the meeting." The sides discussed various aspects of production of a new engine for the PS-90 MK passenger plane, jointly designed by the Russian Perm Motors company and the U.S. Pratt and Whitney. This project, which has enjoyed about $120 million worth of investments from Pratt and Whitney, also enjoys support of the U.S. administration. The sides outlined ways to design navigation electronic devices for the Russian new passenger planes of TU-205 and Tu- 334.

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"In its turn, Russia took an obligation to expand access of U.S. aviation machinery to its market," said the adviser.

He noted the "outstanding personal contribution" of commission co-chairman Viktor Chernomyrdin in the achievement of such impressive results. "It was negotiations by Chernomyrdin with U.S. co-chairman of the commission and Vice-President Albert Gore which enabled mutually beneficial solutions on many basic problems," stressed Tarasov.

**Russia: Airborne Troops Chief Cited on Bosnia Deployment**

*MM0102163996 Moscow KRASNAYA ZVEZDA in Russian 31 Jan 96 p 3*

[Report by Colonel Aleksandr Oliynik: "By Land and Air. Main Forces of Russian Contingent of Airborne Assault Troopers Make Bosnia Habitable"]

[FBIS Translated Text] The second phase of the multinational forces' Joint Endeavor peacekeeping operation, in which a separate airborne brigade of Russian peacekeepers is also taking part, is now under way. During this phase the major forces of the 60,000-strong international military contingent are to be transfered to Bosnia.

"According to the multinational forces' deployment schedule, only four days have been allocated for redeploying the Russian contingent's main forces to their deployment areas," Colonel General Valeriy Belyayev, chief of Airborne Troops Staff, told KRASNAYA ZVEZDA's correspondent. "In view of this we have used a combined method to deliver the major component of the brigade and its combat equipment — air and rail transport. The last of the 11 troop trains with their men and equipment left Ivanovo for Bosnia 24 January. Most of these trains have already crossed the border at Chop and are approaching the Bosnian rail station of Bijelina, where the equipment will be unloaded."

In all more than 1,000 officers and warrant officers, and also contract soldiers, are traveling in the trains, along with 105 combat vehicles, artillery systems, and over 900 tonnes of diverse freight. This includes not only the basic ammunition but also the bath and laundry unit, the field bakery, tents, beds, bedside tables, and so forth. The brigade is fully equipped for two months' life and activity according to our allowance norms.

"The airlifting of the main forces from the Ivanovo and Pskov airfields via into Tuzla began on the morning of 25 January," Col. Gen. Belyayev continued his account. "It will be carried out under the direct leadership of Colonel General Yevgeniy Podkolzin, commander of the Airborne Troops, who is leaving for Bosnia in a day or so with a group of generals and officers. Thirty-two Military Transport Aviation aircraft — 20 Il-76's and 12 An-22 "Anteys" — have been pressed into service to deliver the main forces. Incidentally, on their return journey these aircraft will bring back home the personnel of the former second battalion of UN forces in Sarajevo, whose mandate has expired."

In accordance with the decision of General George Joulwan, supreme commander of the IFOR multinational forces, Col. Gen. Belyayev clarified, the area of responsibility assigned to our brigade is in southeast Bosnia, away from the Posavina corridor. The front line of this area is more than 70 km long; its depth is about 45 km. The headquarters of the brigade, which is commanded by Colonel Aleksandr Lentsov, will be stationed not in Brcko, as previously planned, but in the small Serbian town of Ugljevik, which is 35 km northeast of Tuzla.

The 1st battalion, under the command of Major Aleksandr Dementyev, will be stationed by companies in the villages of Spasovici, Melica, and Priboj. The 2d battalion, which will be commanded by Lieutenant Colonel Igor Syrtsov, is stationed on the Muslim side in the small town of Simin Han. One company will be stationed in the village of Lapare, another in Koraj. In short, the brigade will be concentrated in an area where only last fall there was bitter fighting and where NATO airplanes bombed Serbian positions. The terrain here is wooded and completely riddled with mines left behind by both Serbs and Muslims. Our airborne assault troops will have to operate autonomously, in isolation from the main forces.

"How will the Airborne Troops commander and staff influence our brigade's operations in Bosnia, and how will command and control of and communication with the brigade be effected?" I asked Col. Gen. Belyayev in conclusion.

"Operational command and control of our brigade will be effected through Col. Gen. Leontiy Shevtsov, deputy supreme commander of the IFOR multinational forces for the Russian troops. His command and control team is attached to NATO headquarters in Brussels. As for command and control of the brigade directly by the Airborne Troops commander and staff, it will be effected through Major General Nikolay Staskov, Airborne Troops deputy commander for peacekeeping operations, who will be stationed on Bosnian territory together with a command group. Contact with the brigade and the command and control groups is to be maintained via satellite communications stations using secure telephone and telegraph lines [v rezhime zakrytoy telefonnoy i telegrafnoy svyazi]. For the ongoing material and technical support of the brigade, by decision

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of the chief of the General Staff, the Airborne Troops Staff has been given the right to plan monthly flights by Military Transport Aviation planes to deliver essential supplies to Bosnia."

By 1 February our brigade (like the combat subunits of the IFOR multinational forces) should be fully concentrated at their deployment bases and setting about their peacekeeping mission.

**Russia: Cooperation With Moscow 'Most Important' FRY Priority**

*LD0102194496 Moscow ITAR-TASS World Service in Russian 1447 GMT 1 Feb 96*

[By ITAR-TASS correspondent Ivan Ivanov]

[FBIS Translated Text] Belgrade, 1 Feb (ITAR-TASS) — "Cooperation with Russia is the most important of Yugoslavia's foreign policy priorities," FRY Prime Minister Radoje Kontic told an ITAR-TASS correspondent today.

"Over the last four years cooperation between our countries has been 'frozen', but Yugoslavia, against which international sanctions were imposed, is not responsible for that. Russia, too, had to abide by the resolutions of the UN Security Council. After the sanctions were lifted last year, there are emerging new opportunities for restoring all-round cooperation, developing trade and economic ties and reaching the level that existed before the blockade," the prime minister said.

This will be helped by the positive experience of former cooperation and historical closeness of the Yugoslavs and the Russians, Kontic said.

The prime minister said that at the same time he found it strange that Russia had lifted the sanctions against Yugoslavia a month after the relevant decision had been taken by the UN Security Council in late November last year. "I was very surprised by this, since I thought the Russian president would sign the relevant edict on the day the UN Security Council adopted the resolution on suspending sanctions against the FRY," he said.

Representative delegations from some CIS countries visited Yugoslavia last month. They concluded a number of intergovernmental agreements with the FRY on trade, economic, cultural, and scientific cooperation. "We have invited Prime Minister Viktor Chernomyrdin to visit our country at his convenience. No doubt, the visit will help to strengthen relations between Russia and Yugoslavia," Kontic said.

**Russia: Military 'Will Not Interfere' in Tajik Affairs**

*LD0102141296 Moscow INTERFAX in English 1316 GMT 1 Feb 96*

[FBIS Transcribed Text] MOSCOW, Feb 1 (INTERFAX) — Russian military forces assigned to the Collective Peacekeeping Forces have not interfered and will not interfere Tajikistan's internal affairs.

"Their mandate does not foresee this," Russia's Deputy Foreign Minister Albert Chernyshev told INTERFAX Thursday.

He recognized that Moscow is extremely concerned over events in Tajikistan, in particular in the cities of Tursunzade and Kurgan-Tyube.

"Inter-clan and inter-regional disputes will do no good for Tajikistan," he said.

Heightening of military activity on the part of the Tajik opposition near Tavil-Dara also arouses Moscow's concern.

"Actions of the opposition are fraught by the disruption of another round of the inter-Tajik negotiations in Ashgabat (Turkmenistan), during which the government delegation set forth several constructive initiatives," Chernyshev said.

Among them he mentioned the idea to form a consultative commission and to convene a Forum of Tajikistan's Peoples.

Chernyshev welcomed Dushanbe's decision which appointed head of Tajikistan's Foreign Ministry Talbak Nazarov head of the government delegation at the inter-Tajik talks. "We stick to the opinion that not only fresh ideas but new people, not blind-folded by the debates of the previous rounds, are needed for the negotiation progress," he said.

Chernyshev, who was accompanying Russian Foreign Minister Yevgeniy Primakov on his trip to Tajikistan, said that "the Russian party has not presented any ultimatums to President Emomali Rakhmanov but voiced its firm wish that the position of the government delegation at the negotiations in Ashgabat should be more constructive, if possible."

"As far as one can judge, Dushanbe listens attentively to our opinion," he said.

Having noted that the opposition took a time-out to examine Dushanbe's proposals, Chernyshev characterized the opposition's proposals as "too persistent."

"They, in particular, provide for creation of the Council of National Reconciliation which would replace the

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existing government and parliament. It's clear that this is unreal and unacceptable for Dushanbe," he said.

According to Chernyshev, the opposition should give up its over-persistent position, to show good will and readiness for compromises. "The remarks voiced at the recent CIS summit in Moscow concern not only Dushanbe but the opposition as well," he said.

Given the results of the CIS summit of January 19 Russian President Boris Yeltsin said that "it is necessary to push President Emomali Rakhmanov into a dialogue with the opposition."

**Russia: BSF Denies 'Rumors' About Baltin's Dismissal**

*LD0102142696 Moscow INTERFAX in English 1316 GMT 1 Feb 96*

[FBIS Transcribed Text] SEVASTOPOL, Feb 1 (INTERFAX) — A source in the Black Sea Fleet has denied reports in some news media to the effect that Admiral Eduard Baltin stays on as the Black Sea Fleet commander.

The fleet command received a telegram from Russian Defense Minister Pavel Grachev which says that "by presidential decree No. 107 of January 27 Eduard Baltin was relieved of the post of Black Sea Fleet commander," the source told INTERFAX.

In his telegram Grachev orders that the first deputy of the Fleet commander, Vice-Admiral Gennadiy Suchkov, take over from Baltin. For a while, Suchkov will be acting commander of the Black Sea Fleet.

A spokesman for the defense ministry's information department confirmed to INTERFAX the fact of sending the telegram to the Black Sea Fleet command.

**Russia: U.S. Navy Commander's Comments on Iran Discussed**

*NC0202092496 Moscow Voice of Russia World Service in Persian 1600 GMT 1 Feb 96*

[Commentary by Sergey Viktorov]

[FBIS Translated Text] Everybody has long known how every [words indistinct] in American-Iranian relations. Recently, the issue of shipping security in the Persian Gulf has [words indistinct] and many countries, not only the regional countries, are [words indistinct]. About a fifth of the world's oil is transported through Persian Gulf routes. Any (?reference to a) threat to oil transport is very seriously regarded by the interested countries, especially by the (?big) powers.

It is not surprising that observers immediately focused their attention on a recent statement by Vice Admiral Scott Redd, commander of the U.S. naval forces in the Persian Gulf, who said that Iran tested a new Chinese-made antiship cruise missile. According to him, the Iranian navy fired the C-802 cruise missile from a ship in the Arab Sea on the approach to the Hormuz Strait. Vice Admiral Redd stated that it was a [words indistinct] weapon, which is much more advanced than the former Chinese-made [word indistinct] missiles. In the war with Iraq, Iran used these [word indistinct] missiles.

Now Tehran intends to deploy the new missiles in the Persian Gulf. Naturally, the American vice admiral concluded that this is yet another sign of Iran's threat to navigation in the region. This is why Washington is seriously [word indistinct] to strengthen its presence in the Persian Gulf. According to a REUTERS report, Pentagon officials believe that Iraq's recent military threat to regional and [words indistinct] countries has not increased considerably. Observers refer to a recent NEW YORK TIMES report [words indistinct], which spoke about continuing American military preparations in the Persian Gulf, which [words indistinct] the dispatch of 12 American cargo ships to the region carrying arms and ammunition. REUTERS points out that the United States has deployed over 20,000 servicemen in the Persian Gulf and its environs, most of them navy and air force personnel.

**Russia: Warships in Mediterranean Said To Promote Cooperation**

*LD0102200696 Moscow INTERFAX in English 1912 GMT 1 Feb 96*

[FBIS Transcribed Text] Moscow, Feb 1 (INTERFAX) — The presence of Russian warships in the Mediterranean Sea should not be regarded in the context of military and political events in the region, Russian Foreign Ministry spokesman Grigoriy Karasin told a briefing in Moscow Thursday.

The group of seven warships led by the heavy aircraft-carrying cruiser Admiral Kuznetsov has been staying in the region since early January, Karasin said.

"The main international goals of the trip are to show the new flag and promote naval cooperation with Mediterranean countries," Karasin said.

"Technically, there is a task to drill deck aviation flights in favorable weather conditions which are typical for the Mediterranean region," he added.

The Russian warships will stop in Syria and Malta. "Their presence in the Mediterranean Sea gives positive repercussions in most Mediterranean countries and is of political importance for Russia's international prestige and a guarantee of stability in the region," Karasin said.

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**Russia: Spokesman Says Greece-Turkey Dispute 'Far From Over'**

*LD0102173396 Moscow ITAR-TASS World Service in Russian 1250 GMT 1 Feb 96*

[By ITAR-TASS correspondent Vladimir Suprun]

[FBIS Translated Text] Moscow, 1 Feb (ITAR-TASS) — Russia is concerned at the continued friction between Greece and Turkey over ownership of Imia Island, Grigoriy Karasin, the head of the Russian Foreign Ministry's Information and Press Department, told journalists today. Although the direct threat of conflict seems to have receded, he said, "differences remain on the substance of the issue and the incident is far from over."

It is now important to avoid any moves that might exacerbate the situation and lead to new problems and an escalation in tension, the diplomat said.

Karasin said he was sure that an outcome to the issue "is possible only through peaceful means, excluding the use of force." It should be based on unwavering adherence to international law, the overriding principle of which is unconditional respect for sovereignty, territorial integrity, and inviolability of existing borders. "These are global principles and it is not up to anyone to break them," the diplomat stressed.

In this respect, Karasin said it was essential to observe the international legal provisions that govern the status of Imia Island.

**Russia: Primakov Calls Relations With Ukraine 'Priority'**

*MM0202114196 Moscow TRUD-7 in Russian 2-8 Feb 96 p 3*

[Unattributed report: "Things Moving?"]

[FBIS Translated Text] "While recognizing Ukraine's sovereignty Russia is interested in all integration processes with it. Russia's relations with Ukraine are a priority for our state." Russian Foreign Minister Yevgeniy Primakov said this yesterday during a meeting with Oleksandr Moroz, speaker of the Ukrainian parliament. The Russian minister is in Kiev on a two-day official visit.

**Russia: CE Accord Seen as Attitude Change Toward Chechnya**

*LD0102143296 Moscow INTERFAX in English 1316 GMT 1 Feb 96*

[FBIS Transcribed Text] MOSCOW, Feb 1 (INTERFAX) — The temporary trade agreement between Russia and the Council of Europe (CE), valid as of today, testifies to a change in the CE leadership's stand on Chechnya, a well-placed Russian government source has told INTERFAX.

Although the document's wording was agreed back in December of 1994, its signing was postponed in the wake of the CE's bitter response to the unleashing of military hostilities in Chechnya in early 1995.

"A break in the CE position began in the middle of last summer after Spain had taken over CE leadership from France," the source recalled.

"The temporary agreement will favorably affect Russia's foreign trade since the accord provides for much better terms of access for Russian commodities to the markets of Moscow's basic trade partner, sharing over 40 percent in Russian foreign trade," the source noted.

The agreement abolishes quotas on Russian imports to CE countries and upholds the use of anti-damping procedures in trade disputes.

According to a Russian foreign trade expert, the document will be instrumental in settling some of the trade disputes that have arisen between Russia and the CE.

One such dispute has been fueled by France's ban on Russian canned fish, another has come out of CE intentions to restrict Russian fur imports, and still another has been caused by the exorbitant import tariffs existing in Russia, tariffs which have been annoying European exporters.

As talks with the CE on textile trade failed, Russia has decided to impose quotas on textiles imported from CE countries, the expert said, predicting that such conflicts will be settled much more simply, since the temporary agreement will provide an effective legal basis for mutual trade and for resolving disputes cropping up in it.

The new accord incorporates a number of important points, featured in the agreement on partnership and cooperation between Russia and the CE, signed at top level in June of 1994. These provisions do not require ratification.

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## Political Issues

### Russia: Yeltsin-Seleznev Meeting 'Constructive'

*LD0202121796 Moscow ITAR-TASS World Service in Russian 1133 GMT 2 Feb 96*

[FBIS Translated Text] Moscow, 2 Feb (ITAR-TASS) — "Evidently, the Russian president had heard many allegations about what the new State Duma chairman stands for, but after our meeting these allegations will most probably be dispelled," Gennadiy Seleznev, State Duma chairman told journalists this immediately after his first meeting with Boris Yeltsin had ended. This meeting, which lasted one hour and 10 minutes and was one-to-one, was constructive, he stressed.

Seleznev said that the head of state had briefed him on how he sees the mechanism of interaction between all branches of power, especially the mechanism of interaction between the president and the Federal Assembly. Boris Yeltsin pointed out that shortcomings still exist in relations between the president and the Federal Assembly. The speaker was left with the impression that the president does not advocate turning down laws passed by parliament but the head of state is forced to do this if these laws have been insufficiently considered from a legal point of view.

### Russia: Yeltsin Says FPS 'Satisfactory'

*LD0102164396 Moscow INTERFAX in English 1316 GMT 1 Feb 96*

[FBIS Transcribed Text] MOSCOW, Feb 1 (INTERFAX) — Russian President Boris Yeltsin, having studied all aspects of the Federal Border Service's [FPS] activities in 1995 and the report of the service's director, Army General Andrey Nikolayev, assessed the service as "satisfactory," press secretary of the Russian Federal Border Service Colonel Aleksandr Suvorov told INTERFAX on Thursday.

In a note to the prime minister, the secretary of the Security Council and the border service director, the president urges that the proposals in the report be studied at the ministries and departments concerned, and, if need be, "be considered by the military construction commission."

### Russia: Yeltsin Edict on Domestic, Foreign Debt

*LD0102222496 Moscow ITAR-TASS World Service in Russian 1607 GMT 1 Feb 96*

[FBIS Translated Text] Moscow, 1 Feb (BIZNES-TASS) — State bonds can be issued to pay off Russia's hard-currency commercial debt starting in 1996, according to a Russian presidential edict "On Certain Measures to Bring Order to the Russian Federation's Domestic and Foreign Debt," received by BIZNES-TASS today.

The edict gives the Russian Government one month to organize the issue of a sufficient quantity of bonds.

As is known, the need to put into order the domestic and foreign hard-currency debt to all enterprises, organizations, and institutions irrespective of their form of ownership arose back in 1992 when Vneshekonombank went bust. It was then that a presidential edict spawned hard-currency bonds, which were nicknamed "Vebovki" [from VneshEkonomBank].

However, the first issue only partially covered the debts in foreign currency. The latest edict is intended to remedy that situation.

The former USSR's domestic hard-currency debt to Russian Federation enterprises, organizations, and institutions can also be converted into state bonds. The creditors include owners of monies in clearing accounts, and in the form of closed and special currencies under intergovernmental agreements and time-expired payment documents.

### Russia: Nomination 'Awkward' for Chernomyrdin

*LD0102174296 Moscow ITAR-TASS World Service in Russian 1207 GMT 1 Feb 96*

[By ITAR-TASS observer Tamara Zamyatina]

[FBIS Translated Text] Moscow, 1 Feb (ITAR-TASS) — The initiators of a campaign to nominate the Russian prime minister as a candidate in the presidential election, without seeking his permission, are placing him in an awkward position. Since the beginning of last year, Viktor Chernomyrdin has been repeatedly obliged to deny that he plans to run for the presidency.

Prior to his return to Russia from the United States today, the prime minister again confirmed in an ITAR-TASS interview that he is not playing any election games and has not given his agreement for pressure groups in St. Petersburg and Orenburg to nominate him as a presidential candidate.

As somebody who keeps his word, Viktor Chernomyrdin has not changed his position. At the same time, he cannot fail to realize that constant publication of opinion polls that show that the premier would have solid electoral support in the presidential election, must arouse jealousy in certain quarters that are suspicious of the premier's growing authority. These same quarters have already criticized "bogus peacemakers" who "are still able to sleep soundly at night" even after the liberation of the Budennovsk hostages in June 1995.

As we know, it was the premier's personal involvement in telephone calls to the terrorists which, on the one hand, helped resolve the Budennovsk drama and, on

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the other, allowed the fighters to escape into the hills. Subsequently, as Boris Yeltsin said last week, "it was those same bandits whom we let go in Budennovsk who turned up in Kizlyar and Pervomayskoye."

The peculiarity of the present political situation in Russia is such that a warm embrace can quite simply suffocate the person for whom it is intended — especially if he does not even want it. This ought to be borne in mind by the prime minister's unsolicited well-wishers if they really care for his future as chairman of the government.

**Russia: Lebed Confident of KRO Election Support**

*LD0102203196 Moscow INTERFAX in English 1634 GMT 1 Feb 96*

[FBIS Transcribed Text] MOSCOW, Feb 1 (INTERFAX) — Aleksandr Lebed, a leader of the Congress of Russian Communities (KRO) who intends to run for the Russian presidency in June, said in an exclusive interview with INTERFAX Thursday that he is "absolutely confident" about KRO's support of his candidacy.

He refuted rumors about alleged differences between himself and another KRO leader, Yuriy Skokov. According to Lebed, they have no differences, they have just divided powers.

"I remained head of the KRO Moscow regional council and I am currently working on my own presidential campaign together with Sergey Glazyev, the third KRO leader, who is in charge of the economic part of my program, while Yuriy Skokov is working on a referendum on two issues," said Lebed.

Speaking about his admission to the Popular Rule Duma faction, Lebed denied that he knew anything about talks between Popular Rule leader Nikolay Ryzhkov and the Communists about forming a left-wing coalition for putting forward a single candidate at the upcoming presidential elections.

"My program differs significantly from that of the Communists," said Lebed. According to him, there can be no return to the Communist past for Russia. Lebed believes the reforms must continue, albeit with a certain shift towards more social protection of the population.

**Russia: CPRF Raises R1.4 Billion for Campaign**

*LD0102183396 Moscow INTERFAX in English 1316 GMT 1 Feb 96*

[FBIS Transcribed Text] MOSCOW, Feb 1 (INTERFAX) — Russia's Communist Party [CPRF] has managed to raise a mere 1.4 billion rubles [R] to finance its presidential election campaign, which may complicate its organization somewhat, the Communist Party's deputy chairman Valentin Kuptsov has said.

The authorities had put commercial structures financing the Communists under surveillance, and were experting [as received] other pressures on them, Kuptsov told a session of the Political Executive of the Council of the Union of Communist Parties-CPSU.

Kuptsov believes that the outcome of the June 16, 1996, elections will decide the future of the left-wing movement and the future of Russia. He declared that the left-wingers' common candidate would be named after extensive consultations with the Communist and popular patriotic parties and movements.

As for the Communist Party of Russia, the decision of its Central Committee to nominate Gennadiy Zyuganov as presidential candidate is to be authorized by an all-Russia party conference on February 15. Kuptsov did not rule out that the date of the conference may be changed, because on that day the incumbent president Boris Yeltsin is to declare whether he will run for a second term.

**Russia: Deputy PM Denies Resignation Rumors**

*LD0102175396 Moscow INTERFAX in English 1634 GMT 1 Feb 96*

[FBIS Transcribed Text] Moscow, Feb 1 (INTERFAX) — Russian Deputy Prime Minister Aleksandr Zaveryukha denied Thursday rumors of his possible resignation that appeared last week and said that in the near future he would combine his work as deputy prime minister and acting agriculture minister.

He told INTERFAX he received a number of instructions from head of the cabinet Viktor Chernomyrdin concerning farming and related industries.

Zaveryukha did not rule out the possibility that the structure of managing agriculture would be somewhat changed and that the deputy prime minister in charge of agriculture will simultaneously head the federal Agriculture and Food Ministry.

Agriculture Minister Aleksandr Nazarchuk resigned in mid-January.

In keeping with the practice in the Russian Government, several deputy prime ministers are simultaneously the heads of federal ministries or agencies. For instance, Oleg Davydov is deputy prime minister and the minister for foreign economic relations.

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**Russia: Kadannikov Addresses Economic Issues**

*964F0919A Moscow OBSHCHAYA GAZETA in Russian 25-31 Jan 96 No 3, p 9*

[Report on interview with Vladimir Kadannikov, general director of the Volga Automotive Plant, prepared by Yevgeniy Pishchikov: "The Values of My Life: Thursday Morning. A Long Motor Trip Without Roads"]

[FBIS Translated Text] Last Thursday Vladimir Kadannikov, general director of the Volga Automotive Plant, dropped in on our "morning meeting."

We spoke with the AvtoVAZ leader about what it is like to be an industrialist today, how they manage to make cars, which, unlike money, cannot be produced out of thin air. Spread out behind our guest was a single-industry city, which makes its living from the plant and the vehicles and votes for Zhirinovskiy, and the automotive giant, which produces just about the only domestic commodity the consumer can still long for, and its 200,000 workers who must not be left without employment and earnings.

What kind of person must he be to be able, under the most difficult conditions of a regular crisis, to maintain the plant, the city, and the labor collective?

*OBSHCHAYA GAZETA dossier. Kadannikov, Viktor Vasilyevich, born 3 September 1941. Father died at the front in 1943. In 1965—graduated from Gorkiy Polytechnical Institute (evening division). From 1957 through 1967, worked at Gorkiy Automotive Plant (apprentice welder, press shop foreman, deputy chief of press shop). From 1967 through 1986—deputy chief of press shop at Volga Automotive Plant; deputy director, director of press production at VAZ; deputy, and then first deputy general director of VAZ. Since December 1988—general director of the production association AvtoVAZ (subsequently—joint-stock company). From 1992 through 1993—chairman of the Council on Industrial Policy under the government of the Russian Federation. From 1989 through 1991—USSR people's deputy. Hero of Socialist Labor. Since February 1993—academician of the Russian Engineering Academy. One of the initiators of the creation of the Russia Is Our Home bloc. Awarded the order "For Service to the Fatherland," third degree.*

[Begin first box, p. 9]

—What kind of car do you drive?
—Do you have problems on the material plane?
—Is your career important to you, did you custom tailor it?
—Would you like to become the owner of AvtoVAZ?
—Are you disturbed by problems of personal safety?
—Does the general director have friends or—just a circle of people brought together by production interests?
[end box]

**All the Best Has Happened at VAZ**

For my personal use I have a Zhiguli model 99. Showy patriotism was not a major consideration in this choice; it was more tradition and habit. All the top management at VAZ have the same kind of car. We try out the first series of new models which cannot be put on the market yet. We are now switching to the "Ten"; I intend to exchange my car in about a week. The rule of having the management test out new cars was introduced long ago and not by me. It is retained because it is reasonable. The more so since—what difference can it make to me what kind of car I ride in? Comfort? The model 99 was fairly comfortable to ride in and the 10 will be even more comfortable. But I do not comprehend such a concept as a "prestige automobile" or an "official" car.

True, since 1972 the plant's head designer has driven only imported cars. But that is not for prestige either; it is useful. So we can get a sense of where progress is taking us. Each year we buy one of each foreign car of our class and break it down into components and parts, and then we put it back together again. And we put the head designer behind the wheel. So you should not think that the director of the automotive giant can have any car he wants. He cannot have just any one. Of course it is not a matter of whether or not it is materially possible. And it is not prestige. Well, what kind of prestige would that be! I think I take pride in the fact that I do not have what you would ordinarily call pride. Recently I tried to put into words for myself what my career has been to me. I came to the conclusion that the hunger for a career, as I understand it, comes at a very young age. In my youth my career symbolized all the joys of my life to me: an apartment, a good material position. I was born in a barracks and lived in a communal apartment with my grandmother; I grew up an orphan and was poor all my life. And, of course, at first I was endlessly bothered by questions of well-being. But that passed very quickly. By the time I was about 28 I had the sense that my needs had been met. Perhaps because my demands had not been great. And they are not great now either. Demands appear when you have a lot of free time. The plant takes up all of my time. I arrive at the plant at 0700 and go home at 2200. I do not eat in the morning, I have a bowl of soup for lunch, and in the evening I like meat patties and macaroni. Or hot cereal.

Did I custom tailor my career? I began as a welder's apprentice at the age of 16. I have not skipped a step on the ladder right up to the position of general director. I was not distracted by any party-trade union positions,

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although at one time that was difficult. At that time they liked to shift the managers to party work—then they would return to a position one step higher.

In general I tried to remain at VAZ. At one time the minister of the automotive industry, Polyakov (and our former general director, a person of enormous possibilities and capabilities, whom I respect immensely, but he is of the old system), called me to Moscow and suggested that I move to KamAZ. I would start as first deputy but it was implied that I would become the general director. Of course, that would have been a promotion. But it would have meant changing collectives, and I did not want to change collectives. At first I asked for a postponement: I wanted to go and check out KamAZ for myself. I arrived there at night, understanding that if I went directly to the management they would show me what they wanted to show me. I went through the plant alone at night and in the morning I went through it again with the director. Then I called Polyakov and turned down the job. There was something about KamAZ I did not like; it is difficult even to explain. The atmosphere was not right. I came to VAZ when it was being built, when I was 26, a boy. I was transferred from the Gorkiy automotive plant. I arrived before they had even begun to dig the foundation. At that time the director was 50 years old and all the rest of us were 25-30. And all the best things happened there first—including the Fiat project, my first trip abroad, my understanding of the possibilities of a completely new and different approach to work.

I remember when I was at the Gorkiy Plant: I did not even think about whether I, a foreman, could fundamentally change work methods in my section. Why should I? But when we visited Fiat for the first time I gained a little better understanding of why. VAZ was probably the only enterprise of its time that was infected with production free-thinking.... We were developing ideas not only about business but also about life. We were soldiers who had seen Europe. In general I did not need KamAZ. And then they called me in to the party Central Committee, to be chief of the machine building department. A strange conversation took place there: Why are you killing yourself at such a young age? They promised me that I would never get anywhere in Tolyatti.... But I dug in my heels. For 10 years after that I did not move—from '78 to '88. Later I was frequently told that I had behaved incorrectly, for to deprive yourself of your party card meant to take on a cross to bear. But it seems to me that somehow I did not fully understand that a party card and a cross are the same thing. That is, theoretically I could guess that, but my real thought led me in a different direction. I dared to think that I had gained everything because of my own abilities and not because of belonging to the Communist Party.

After some rapid promotions in my youth, my career advancement each time was linked not to my own aspirations but to some new assignment. And each time the new assignment meant more work. Perhaps at some point a desire was awakened in me for the "next" position, but it was justified each time by the conclusion that it is better to pull the whole load than to work under some idiot boss. And I had one other almost vain wish. After I had been deputy production director for almost 10 years and gone around in the same circle 150 times, I became very bored. I felt that I was losing my edge.

But now I am never bored in the position of VAZ general director. In general I do not think that is theoretically possible. And the new reality does not have much effect on my involvement with my work. For example, I could never feel like a property owner. My own shares amount to less than a percentage point. Maybe 0.16. These shares were given to me because of my work tenure at the plant and were included in the director's contract. Would I like to be a property owner? That is an unnatural dream for a plant manager. In all the world there are no people who are sole owners of industrial giants of this level. From the standpoint of responsibility, the form of ownership changes nothing for me. But the new reality "adorns" my life with other attractive details. I have a guard wherever I go. It is attached to me.

Not because I am so rich, but because I am so poor. We have an immense amount of accounts receivable; the amount already has an appreciable impact on the life of the plant—5.4 trillion rubles [R]. The indebtedness has developed for various reasons, but partially because of unscrupulous acts. For instance, certain firms were created and given bank guarantees, and against the bank guarantees they obtained cars from us, they sold them, and then they did not return the money. But I am obligated to demand the return of the money. Sometimes this leads to trouble. For such cases we have our own plant OMON [special purpose militia detachment]. It is a fairly decent organization, the boys are armed with automatics, all of them are professional police workers, but the plant pays them. For example, the OMON is given an assignment: Return the money. They go and return it. Or say we have bought some metal and had it shipped to St. Petersburg. The metal is held up in the port. There are no railcars! We send the cars. There is nobody to load them! Finally we are told frankly whom we should pay and how much. But our plant budget does not include money for such needs. We send the plant OMON there, the commandos line up alongside the cars (instead of those we are supposed to pay), they load the

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metal and bring it to the plant. Recently in Moscow they caught the president of a certain firm that was selling VAZ vehicles. He was already on his way abroad. He did not make it. When you are doing "business" with such clients, you have to establish your personal guard, whether you like it or not.

I know that in the new mythology Tolyatti is considered to be a place of automotive evil deeds. This opinion exists. Some people from the Central Bank came to us recently and asked for a special guard for themselves. Your city, they said, is very crime-ridden. It is thought that not a single vehicle can leave Tolyatti with impunity, that the mafia checks each motor vehicle that comes from the conveyor. This is all somewhat exaggerated; Tolyatti is no exception in this sense. Anywhere there is a car that can be robbed or stolen, there are people who are prepared to do so. I wish you could see the shape in which the cars arrive in the port of Ilichevsk or Novorossiysk. And on the Baltic border the situation is completely ridiculous: There are seven kilometers of no-man's-land between our customs and the Estonian customs, and in this space what happens is not robbery but theft on order. One must assume that the robbers are given the order and paid ahead of time: Someone needs three engines, another person—a couple batteries.

But here is a real question—does the director have friends? That is what follows from—or only coworkers? The bottom line is that I have no friends in production. A friend is something more than I can allow myself in my daily life. With a friend you have to communicate, if possible during your free time. And on Sundays I have one main wish: to see as few people as possible. Because I see too many of them on the week days. I do not hunt, I do not fish, and I do not play tennis. On Sundays I sleep, and sometimes I get up at 1330 or 1400 in the afternoon, never before noon. I also read. I like Konstantin Vorobyev very much and have read him many times. I have an endless love for Strugatskiye.

[Begin second Box, p. 9]

—Have relations between the director and the workers changed?
—Has the workers' attitude toward the director changed?
—Do you not feel nostalgia for the party committee which organized and educated the "people"?
—How much do they pay at VAZ?
—For whom did they vote in Tolyatti? [end box]

**The New Fascination of the Working Class**

One time they wrote about me in a newspaper that I get $100 for each automobile that comes off from the conveyor. Each day we produce 2,600 Zhigulis, so my income would be $260,000 a day. A tidy sum. And this information is far from the most malicious thing that has been printed about me. It used to be that as soon as a work conference gathered at the plant or a meeting with the collective was organized, I would immediately receive an "impudent" question: "Why didn't you sue the newspaper? Does this mean it is true?"

But lately people have not been asking me such questions—mainly because the press (especially our local press) has lost people's confidence, and also because the workers themselves have begun to wonder: "Could it be that the director could have an illegal income of a billion rubles a day? It seems it would have to be less than that...."

I have been dealing with workers of the Volga plant for 29 years. I have been working one on one with the people for many years. If I were to compare the two epochs pre- and post-reform, I must admit that in the old days the attitude of the plant management toward the workers was more negligent. Although the propaganda celebrated the morality of the hegemony of the proletariat, the labor collective did not mean a tenth of what it means today. Now when taking even the most insignificant step I am forced to think about how it will be reflected in my relations with the people. I have become more dependent on the workers, although, possibly, they have become more dependent on me as well. The reason for these changes is the political activity of 1989-1990 and the workers' desire to impact their own lives through an understanding of their real role. If you wish—through their dissatisfaction with life. Their new influence is the result of several years of the triumph of "purely" democratic processes and ideas.

As a legacy from those days we have kept the labor collective council at our plant. We call it a production council. I need it, for example, because regardless of who the director there may be, and regardless of what he thinks about how one decision or another will affect all the workers, he is still somewhat removed from their daily life. He still lives differently and better than the workers live. This is natural and human.

Of course I feel no nostalgia for the party committee. The Volga Automotive Plant, in my view, with its pro-Western business activity, has instilled in us a distinct indifference to the party institution. When the August putsch occurred, we, the plant "elite," resigned from the party and made an announcement of this in the newspapers. I was the first to resign, and then several deputies came to me and started to criticize me for individualism. Ultimately all but two supported my action. Incidentally, there were no adverse consequences

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for these two—everyone has a right to his own opinion. But now I am talking about the party's place in the plant, but we really do need an educational and coordinating center. Very many hotbeds of worker dissatisfaction appear because they are not aware of the real state of affairs. Not so long ago we changed the entire structure of plant management—instead of 15 deputies I now have leaders of several departments in the main areas of activity. Among others, there is the personnel department. The decisions of the deputy director are binding on all. If he orders a manager to meet with the workers, the manager must obey him. Like the party committee.

Of course the main problem is wages.... The question of wages is sure to come up at every conference. Somebody who is known by name will definitely jump up and have his say. And everyone knows who gets up and everyone knows what he says. Of course, these are embittered workers....

Wages here average R1,000,600 per month. This is meant to be good pay. But this sum is the result of indexation of previous earnings and nothing more. The standard of living is not rising, and recently it has begun to drop—we have not had 100 percent indexation; we were forced to make a decision to index earnings only partially.

In the city they are now voting for Zhirinovskiy, and at the plant as well. First place, 17 percent of the votes. Why are they voting? They are dissatisfied with their life. In our city this dissatisfaction has been expressed not in confidence in the Communists but confidence in the LDPR [Liberal Democratic Party of Russia].

[Begin third box, p 9]

—What in your understanding is the "course of the reforms"?
—What is your attitude toward the government's economic policy?
—Can the domestic producer survive in an open market?
—Compare your work to the work of a Western industrialist; is there any similarity? [end box]

**Good Course—Bad Business**

What I have accepted, understood, and welcomed as the course of reforms and what I have actually done, "implemented," as general director are two different things. Because it is one thing to declare something and it is another thing to act on it. And do it along with living people who want to eat every day, who have children, who drink vodka, and who use obscene language. But the transition to the market and privatization—from the very first day until the present—have seemed to me to be the only possible way of reorganizing the economy. I had formulated all these ideas internally long ago, since I knew foreign industry more and better than many others in our country did. I had visited plants in Italy and Germany, and in 1976 I completed managers' school in America—how could I help but welcome the course of reform? But certain particularities of the course.... Privatization, as I understood it, was more of a political act than an economic one. Because if it had been an economic action, of course, it would have taken a different direction and would have proceeded somewhat differently. But it was needed in order to ensure the irreversibility of the reforms. As I understand it, this was a supertask for Chubays.

I know Chubays personally, he was the chairman of the commission for privatization of the automotive plant. Of course, he is the greatest professional in the area of economy and finance. I know for certain that it is a great loss not to have him in the government. That is my view and, of course, I can be mistaken. As concerns our government in general, (I do not try to hide this, I spoke of it when meeting with the president), the most absurd things are occurring in the area of industrial policy. Either they do not know what they are doing or they do not understand what they are doing. One gets the impression that they are living as though they were under socialism. At work they raise their hands and they make decisions, and during their free time they laugh about what they have done. I formed this impression not so long ago. In 1993 when I had a chance at the office of prime minister, at the same time I felt a distinct unwillingness to take that step. I knew then that absolutely nobody would need me as prime minister, that this position was not needed. But now, let us say, the situation is different. This does not mean that I want to be prime minister, no, but now the need for my experience or experience similar to mine is apparent. I could hardly help agriculture, but in industry.... I would make significant adjustments to the state's industrial policy. Because the managers of the enterprises have taken away all the internal resources that could help the plant survive. Now all they have to work with is the environment surrounding the plant—financial, political, etc. I think Chernomyrdin is fairly far removed from the details—in the area of tax and structural policy. Ultimately it will still be necessary to figure out whether Russia needs a national industry or not.

Certainty would rid us of many doubts.... I understand where it all began: Russian industry in the form in which it existed up until 1990 really was not necessary. Strict conditions should have been imposed on it so

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that the branches which do not produce anything the people need would have died out. And they began to die; first of all the military-industrial complex. We had to spend a certain amount of time under these merciless conditions. But that time has passed, it is over! But the policy remains unchanged. And things are leading to the destruction of all national industry.

It is difficult to explain to the man in the street, the consumer, why the price of domestic materials and batching items today is higher than the average for Europe! And when the people are poor and their small wages are paid irregularly! I frequently ask directors and their associates: Men, what do you intend to use to raise wages (after all, this is an inevitable process) when one of your bearings now costs 2.2 times as much as it would in Europe. They, of course, explain to me how prices have sky-rocketed, everyone has many reasons of his own, they are victims too, but....

In this situation, unfortunately, we too are moving increasingly in the direction of buying batching items abroad. But at the same time in general we are patriotic and we understand that by buying "there" we are taking the last piece of bread out of the mouth of our neighbor, a Russian. But still it is impossible to keep on endlessly raising prices. Because then the cost of our vehicles will increase to such an extent that they will not be sold on the domestic market. How can you maintain a plant if nobody will buy your products? After all, a plant is not a barber shop which if there is no business you can close and leave. Here in Tolyatti there are no other jobs, the people are being left without a means of existence. This picture oppresses me endlessly. I have lived with this fear over all the recent years. You can take some brass knuckles and go under a bridge if one person is working and another is doing the robbing. But what if everyone is under the bridge—who will you rob?

I do not think that the weak national industry should demand any special treatment just because it is national. I understand that, yes, we have monopolized industry. And if only one plant produces bearings today, it can do whatever it wishes to with the prices. It is easier to raise prices, even with the threat of losing one's sales market, than it is not to raise them. For today we have only one way of curbing the escalation of prices—to reduce internal costs. But what a painful process this is! For instance, we gathered all the collective together this year and said: Men, in 1996 you will have to produce the same quantity of automobiles as you did in 1995 but instead of eight hours you will have to produce them in seven hours and 15 minutes. This is a 9.4 percent increase in productivity. But at the same time it means a reduction in wages, because the amount of paid time has been reduced by 45 minutes without reducing the overall output of automobiles. How difficult this was for us!

We can struggle within our enterprises as much as we like, but unless the government's attitude toward industry changes, no chance of prosperity will remain. There are three special branches that are doing absolutely nothing to cut the cost of products and services. They are raw material, energy, and the railroads. The impact of these three basic branches on all the rest of us is enormous. But they are still in a privileged position.

One of the first decisions of the reformers was to deregulate prices. They were deregulated for everything except the products of the monopolistic enterprises. These were deemed to be almost all the enterprises that produce finished products: the Volga Automotive Plant, the Gorkiy, ZIL, the tractor plants.... And the raw material and energy branches jacked up prices at will. Thus our profit and our working capital decreased significantly—for we paid a lot more for metal and energy but we still sold our products at a low price. Then, if you recall, at the beginning of privatization there was a reassessment of all the fixed capital of the enterprises, and then by a decree the value of this capital was doubled and 25 percent of it had to be turned over to the state. The value of the capital was increased on paper, but the 25 percent was "real." The enterprises' working capital was completely undermined—there is the source of the nonpayments. And what do nonpayments lead to? To higher prices. Because the plant has to take out credit, and credit costs 200 percent. How can it pay off the loan? Then the government put out short-term state bonds—which were bought up by financial groups and banks (they were the only ones who had the money), and then they sold them to the enterprises under their own conditions. Then there was the "foreign exchange corridor." Perhaps this was a terribly important action which stabilized the exchange rate of the ruble, but for industrial enterprises dealing with exports it significantly reduced foreign exchange revenues. With immense effort we are trying to compensate on the domestic market for losses on the foreign market. We have not been successful, but prices have risen. In a word, everything is going around in the same old circle....

So if one is to speak of similarities between myself and the director of a Western plant, there is only one: Our way of life. Enlightened citizens might well decide that people with lackluster abilities work everywhere in this branch—but no, they are simply idiots—because the work for which eight hours are allotted they cannot do even in 12.

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**Russia Ready To Cooperate in Fighting Terrorism**

*LD0102191496 Moscow INTERFAX in English 1634 GMT 1 Feb 96*

[FBIS Transcribed Text] Moscow, Feb 1 (INTERFAX) — Russia is prepared to cooperate with other countries in the fight against terrorism, official spokesman for the Russian Foreign Ministry Grigoriy Karasin said at a briefing in Moscow Thursday.

Russia deplores international terrorism "in its every shape and manifestation" and confirms its willingness "to cooperate constructively with all international and regional organizations and countries in order to rout this universal evil," he said.

Karasin emphasized that this was the reason why Russia had voted in support of the U.N. Security Council resolution on the attempt on the life of Egyptian President Husni Mubarak in Addis-Ababa last June. The resolution denounces international terrorism and calls on the Sudanese authorities to extradite the three suspects who are believed to have escaped to Sudan.

Karasin said, however, that Russia presumes that this resolution is not aimed at isolating Sudan and is not part of any plans to impose sanctions on that country.

**Russia: Officials Suggest How To Improve Miners' Situation**

*LD0102185396 Moscow ITAR-TASS World Service in Russian 1004 GMT 1 Feb 96*

[By ITAR-TASS correspondent Igor Ivantsov]

[FBIS Translated Text] Moscow, 1 Feb (ITAR-TASS) — Improving contractual relations between consumers and suppliers of coal and eliminating the deficiencies in the system of payments between branches of industry will help to resolve the problem of nonpayments in the coal industry, Aleksandr Yevtushenko, Russian deputy Minister for fuel and power engineering, said today in a conversation with the ITAR- TASS correspondent. Commenting on the situation in the industry in connection with the miners' strike that is taking place in Russia, the deputy minister noted that the action is another attempt by miners to attract the attention of the government and the public to the problems of the coal industry.

The continuation of the reconstruction of the industry, which has already begun, is also one of the conditions that may alleviate the situation of the miners, Yuriy Malyshev, the general director of the Rosugol company, thinks. In his opinion, another 80 or so loss-making and nonviable coal enterprises will have to be closed in the long-term. This needs to be done in any case, he stressed, since otherwise the burden of financial losses will place a heavy burden on the industry.

As a result of the two years of reconstruction in the coal industry, 37 loss-making mines have been closed and over 130,000 workers have been dismissed, the majority of whom were transferred to other enterprises or were retired.

**Russia: Yeltsin's Staff Reorganization Explained**

*MM0102160096 Moscow ROSSIYSKAYA GAZETA in Russian 1 Feb 96 p 1*

[Report by Yuriy Vasilkov: "What It Will Cost Us To Build the Administration"]

[FBIS Translated Text] Russian Federation President Boris Yeltsin has signed an Edict on the Reorganization of the Russian Federation Presidential Staff and ratified a new Statute on the Staff. N.D. Yegorov, chief of the Russian Federation Presidential Staff, explained the significance of this move to a group of journalists.

The point is that the existing structure of the Staff was approved by the Russian Federation President's Edict No. 273 on 22 February 1993 before the adoption of the new Russian Constitution and does not correspond to it either organizationally or politically.

The new organizational structure of the Staff will be formed in six main areas relating to the head of state's constitutional duties. The Russian Federation President's main administrations on questions of the constitutional guarantees of citizens' rights, on the state's domestic and foreign policy, on state service and cadres, and the program analysis, state-and-law, and control administrations will be formed on the basis of and from the existing subdivisions.

The new administrations will perform a coordinating role and will work with the relevant federal departments to prepare draft decisions on various problems for the president. The task is to improve the system of preparing presidential edicts so that they are published together with a set of normative documents, thus closing any loopholes for noncompliance with the supreme state authority's decisions.

All the new main administrations will be headed by deputy chiefs of the Presidential Staff. The number of subdivisions is to be reduced — there will be 19 instead of 43 — and the number of senior officials appointed by the president will fall from 80 to 26 (leaving aside the president's official representatives). The Staff apparatus will be cut by approximately 20 percent (that is, by 500 people).

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The role of the president's official representatives will be strengthened in the new structure. Henceforth there will be two of them in the Federal Assembly — one per chamber.

Answering your ROSSIYSKAYA GAZETA correspondent's question on coordination with other branches of power, N.D. Yegorov stressed that the new Statute precludes the duplication of functions in the Presidential Staff and the Government apparatus.

N.D. Yegorov dwelt specially on the role of such institutions as the Presidential Council, the Conciliation Commission, and the Public Chamber. In the opinion of the chief of the Russian Federation Presidential Staff, the Public Chamber must be less of a talking shop and become more civic-minded and businesslike. It could very possibly perform the role of a Presidential Council, N.D. Yegorov stated.

**Russia: New Deputy Interior Minister Appointed**

*964E0463A Moscow SEGODNYA in Russian 26 Dec 95 p 1*

[SEGODNYA report: "First Deputy Minister of Internal Affairs Appointed"]

[FBIS Translated Text] Police Major General Vladimir Vasilyev was appointed yesterday by order of the minister of internal affairs to the post of first deputy minister. Starting out in the position of operations officer of the Directorate for the Fight Against Theft of Socialist Property and Speculation [OBKhSS] of the Baumanskiy Rayon Internal Affairs Directorate, Major General Vasilyev later headed this directorate, then worked in the OBKhSS at 38 Petrovka Street. He served at the Ministry of Internal Affairs Academy, then in 1993 took the post of chief of the Operations Directorate of the Ministry of Internal Affairs. Today as first deputy minister of internal affairs, Vladimir Vasilyev heads the recently established Internal Troops Headquarters Unit of the Ministry of Internal Affairs.

**Russia: New Deputy Finance Minister Appointed**

*LD0102183596 Moscow INTERFAX in English 1316 GMT 1 Feb 96*

[FBIS Transcribed Text] MOSCOW, Feb 1 (INTERFAX-FIA) — Russia's government issued a resolution to appoint Vladimir Shchedrov as Deputy Finance Minister. The Finance Ministry's press service told INTERFAX-FIA on Thursday.

Previously Shchedrov served as the finance minister of the Mariy-El Republic.

He has filled a vacancy that emerged in the federal ministry at the end of last year, when Aleksandr Samusev resigned, according to the press service. Samusev was in charge of funding heavy industry and power engineering.

The finance minister now has 11 deputies, three first deputies among them.

## Military & Nuclear Issues

**Russia: Aide To Lobby for Air Force Interests**

*LD0102134896 Moscow Russian Television Network in Russian 1100 GMT 1 Feb 96*

[Passages within quotation marks recorded; from the "Vesti" newscast]

[FBIS Translated Text] A meeting of the military council of the Russian Air Force discussed the situation in Chechnya today. The meeting started with a different issue, though:

[Correspondent S. Zenin] The meeting was to have opened at 1000. A civilian upset the punctuality of the military, though. Nikolay Yegorov, head of the presidential administration, made them wait for 30 minutes. On the other hand, the Armed Forces have been waiting for such a chief of presidential administration for a very long time.

[Yegorov, addressing the meeting] "Being a member of the military council, I will lobby for the interests of the Air Force in the government and with the president."

[Zenin] Mr. Yegorov promised assistance for our army personnel:

[Yegorov] "As regards material and technical supplies for the army and its financial funds, these are all matters of time and the not-so-distant future."

[Zenin] As head of the presidential administration, Mr. Yegorov believes it does not make sense to cancel the already prepared contracts for arms sale. He said that this year, contracts worth $6.5 billion are to be signed:

[Yegorov] "If this takes place, our country will become the second largest arms seller in the world market."

[Zenin] More efficient and modern weapons are needed. The military-industrial complex should be shown special care, the new head of presidential administration believes:

[Yegorov] "The production of space and aviation equipment is the blockbuster that will pave a way for all other industries. This must be taken into account in economic policy."

[Zenin] Today's meeting of the Air Force military council was partly devoted to summing up the use

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of aviation in the conflict in the North Caucasus. Mr. Yegorov gave his view of the Russian pilots' military efforts in the Chechen sky. He described the military pilots' activities as professional.

**Russia: Council Discusses Air Force's Problems**

*LD0102191396 Moscow Russian Public Television First Channel Network in Russian 1200 GMT 1 Feb 96*

[Video report by correspondent Aleksandr Onosovskiy; from the "Novosti" newscast]

[FBIS Translated Text] A Military Council of the country's Air Force is being held in Moscow. Leaders of defense enterprises are taking part in it. Our correspondent reports.

[Onosovskiy] Members of the Air Force's Military Council and leaders of defense enterprises described the situation in the Russian Air Force as critical. Aircraft of the fourth generation amount to a mere 15 percent of the entire aircraft pool. Due to lack of funds last year not a single new aircraft was purchased for the Air Force, though the annual requirement for maintaining normal battle-worthiness is 250-300 aircraft.

According to information of military analysts, if there is no drastic change in the financing of the aviation industry, by 2005 the total decline in the number of Russia's aircraft will reach a critical point. By that time the majority of aircraft will come to the end of their working lives. After the year 2010, the Russian Air Force could altogether cease to exist. Incidentally, many promising scientific projects have been curtailed. Work on creating aircraft of the fifth generation has been practically stopped. At some enterprises defense orders have reached zero level.

In this connection, members of the Military Council believe that the tasks of reviving aviation cannot be solved without introducing serious amendments to the concept of economic transformations in the country. A draft for developing Russia's Air Force up to the year 2005 has already been drawn up, it defines the concept of the nation's aviation policy. Soon this document will be submitted to parliament, the Russian Government and president.

The last issue to be discussed by the Military Council is the Air Force's actions in Chechnya. This is why the press was asked to leave the hall.

Judging from all appearances, the talk will be serious. During the conflict the Air Force lost three aircraft and 24 aircraft were damaged to various degrees. On the basis of combat experience the military put forward a package of proposals aimed at improving aviation equipment.

**Russia: Atomic Ministry, Engineer View Reactor Incident**

*LD0102192796 Moscow Russian Public Television First Channel Network in Russian 1800 GMT 1 Feb 96*

[Video report by Anton Vernitskiy in Moscow; from the "Vremya" program]

[FBIS Translated Text] [Vernitskiy] The Atomic Energy Ministry was more concerned about the hordes of correspondents today than the incident in Dimitrovgrad. The chief engineer of the Dimitrovgrad nuclear reactor research institute is in Moscow on the second day of his business trip. He learned of what happened in his institute while he was in Moscow. However, he told us that the VK-50 reactor is one of the seven at the institute. It is something like a pressure cooker with a safety valve regulating steam pressure. In this case, there was about a tonne of radioactive steam. All this, naturally, has turned into a cloud and...

[A. Grachev, chief engineer of the research institute, interrupting] precipitated in an area about 200 square meters, resulting in an insignificant level of pollution of the territory.

[Vernitskiy] It all happened on the institute's territory. Luckily, the wind was blowing in the right direction and the rain did not fall on anyone. The territory has been cleaned up by the institute's own personnel. Having learned by our Chernobyl lesson, we asked about the VK-50 reactor.

[Begin recording of N.Yermakov, head of the main directorate for nuclear reactors of the Russian Ministry of Atomic Energy] It is a power generating reactor, but of a very low capacity. It was built as a demonstration prototype model. [end recording]

[Vernitskiy] This is one of the first reactors built at the institute. The Dimitrovgrad research institute has been studying nuclear reactors since 1961.

## Federal Assembly

**Russia: 'Our Home' Advocates Peaceful Chechen Settlement**

*LD0202110396 Moscow Radiostantsiya Ekho Moskvy in Russian 0900 GMT 2 Feb 96*

[FBIS Translated Text] Dudayev's formations in Chechnya are a real force. It could destabilize the situation in the republic and beyond its borders for a long time to

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come. This was stated at a news conference in the State Duma today by Sergey Belyayev, Russia Is Our Home faction leader.

Belyayev cited in his data the number of militants and their armaments. True, the sources of these data are not known. Thus, Dudayev's group numbers 7,300 militants, including 630 mercenaries. They are armed with up to 12 tanks, up to 26 infantry fighting vehicles and APC's, some 19 guns and mortars and up to 10 Grad multiple rocket launchers. However, Russia Is Our Home advocates a peaceful settlement, Belyayev stressed. Among what is being proposed by him is: fulfilling the set of military agreements, stepping up the inter-Chechen dialogue, strengthening the lawful authorities and continuing the restoration of the Chechen economy.

**Russia: Cabinet To Report to Duma on Miners' Strike 2 Feb**

*LD0102225096 Moscow ITAR-TASS World Service in Russian 2205 GMT 1 Feb 96*

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Translated Excerpt] Moscow, 2 Feb (ITAR-TASS) — The chamber of deputies plan to hear at today's plenary State Duma session a report by the Cabinet of Ministers on actions of the Russian Government to resolve the labor dispute with independent trade unions of miners and the normalization of the situation in the coal industry. It is not yet clear which member of the government will be reporting to them on the situation during the "government hour", which, as it is expected, will be set by the session. [passage omitted]

**Russia: Duma Agrarian Committee Says Food Independence Lost**

*LD0102213796 Moscow INTERFAX in English 1936 GMT 1 Feb 96*

[FBIS Transcribed Text] MOSCOW, Feb 1 (INTERFAX) — Russia currently imports over 40 percent of its food products and "has crossed over the line to loss of food independence, which poses a threat to its national security," Duma Agrarian Committee Chairman Aleksey Chernyshov told INTERFAX Thursday, commenting on the resolution "On the Food Security of the Country and Measures to Improve Supplies of Domestic Food Products to the Population," passed by the Duma Wednesday.

In 1995, Russia imported food for more than $13 billion.

Chernyshov said that according to international standards, a country loses food independence if it imports at least 20 percent of its food, while experts say Russia's food import may total 50-60 percent in 1996. Chernyshov believes that the economic conditions which are extremely unfavorable for the agrarian sector are to blame for the situation.

A sharp drop in state subsidies resulted in the lowest grain harvest in 30 years: 63.5 million tonnes in 1995, against 105-107 million tonnes in late 80s and early 90s, said Chernyshov. He said that by early 1996 the number of cattle on all types of farms fell by 18 million, or 31 percent, down to the 1991 level.

The Agrarian Committee of the State Duma sees the way out of the current situation in the immediate adoption of measures aimed at the stabilization of the agroindustrial complex in 1996, envisaged in a resolution drafted by Agrarians, and in drafting a law on Russia's food security by July 1.

**Russia: Duma, Council Speakers Meet; Promise Cooperation**

*LD0102221696 Moscow Russian Public Television First Channel Network in Russian 1800 GMT 1 Feb 96*

[Video report by Dmitriy Kochetkov; from the "Vremya" newscast]

[FBIS Translated Text] [Kochetkov] This is the first time in the history of the federal assembly that a meeting between the two speakers has been given so much publicity. Evidently, the former member of the Politburo and the former editor in chief of PRAVDA decided to show that one should not expect any serious confrontation between the Senate and the Duma.

Yegor Stroyev said that he has been closely cooperating with Gennadiy Seleznev for many years.

[Begin Stroyev recording] Throughout my life I have been able to find mutual understanding with everyone and I believe that we will find it here.

[Seleznev] Yes, I, too, think that we will find it. [end recording]

[Kochetkov] Stroyev and Seleznev do not intend to repeat the mistakes of their predecessors. As is known, the former Federation Council approved only about half the laws proposed to it.

[Begin Stroyev recording] I think that the continuation of such a practice would not be pleasant for the Duma or the Federation Council and we must, finally, reach agreement.

[Seleznev] Frequently, the obstacles were created artificially, at times because of some excessive ambitions

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from some deputy or other. I think that we will now find the opportunity to remove all of these artificial barriers. [end recording]

[Kochetkov] Federation Council speaker Yegor Stroyev said that the problems of legislative practice included questions of the economy and the social sphere and, in particular, the Chechen problem.

**Russia: Federation Council Positions Allocated**

*MM0202094496 Moscow ROSSIYSKAYA GAZETA in Russian 1 Feb 96 p 5*

["Official" report: "In the Federation Council"]

[FBIS Translated Text] According to the results of a secret ballot the following have been elected to the post of deputy chairman of the Russian Federation Federal Assembly Federation Council:

Vasiliy Nikolayevich Likhachev,
Oleg Petrovich Korolev,
Valeriy Mukhamedovich Kokov,
Valeriy Mikhaylovich Zubov.

The composition and the chairmen of the Federation Council committees have been confirmed by decree of the Federation Council:

Aleksandr Ivanovich Ryabov — Committee for Security and Defense Issues;
Aleksandr Semenovich Belyakov — Committee for Economic Policy Issues;
Vasiliy Alekseyevich Desyatnikov — Committee for International Affairs;
Oleg Alekseyevich Bogomolov — Committee for CIS Affairs;
Valeriy Vasilyevich Sudarenkov — Committee for Science, Culture, and Education;
Aleksandr Viktorovich Nazarov — Committee for Affairs of the North and Numerically Small Peoples;
Konstantin Alekseyevich Titov — Committee for the Budget, Financial, Currency, and Credit Regulation, Monetary Emission, Tax Policy, and Customs Regulation;
Yevgeniy Stepanovich Savchenko — Committee for Agrarian Policy.

## Regional Affairs

**Russia: Dimitrovgrad Incident Blamed on Personnel**

*LD0102172796 Moscow Russian Public Television First Channel Network in Russian 1500 GMT 1 Feb 96*

[Video report by correspondent Dimitrovgrad; from the "Novosti" newscast; passages contained within quotation marks are recorded]

[FBIS Translated Text] [Romanova] At 1130 on 31 January, an emergency safety system switch was activated at one of the reactors of the Dimitrovgrad nuclear research institute, giving out a signal of an emergency situation. Later on it was established that during a technical operation an emission of radioactive substances has taken place. The immediate tests showed no nuclear contamination in excess of the acceptable norms neither on the territory of the institute nor beyond its boundaries. In the context of nuclear safety standards this means the risk is minimal.

[A. Baryshev, deputy chief engineer of the Research Institute for Atomic Reactors] "What happened at the VK-50 [as heard] can be qualified as an incident. An incident caused by a mistake by personnel, to be specific, a stoppage of the nuclear research reactor caused by a mistake made by personnel. In no way can this be called an accident. Because, I repeat, no excessive emission of radioactive substances have been traced."

[Romanova] At present, the situation is under control and presents no danger for the population of the Ulyanovsk Region. However, this unique nuclear energy research center is in an extraordinary situation today. Poor financing hardly enables its staff to use the costly expensive nuclear technology in a highly professional way.

[V. Ivanov, director of the research institute] "And when we appealed to the government — please, don't think that we do not understand these things — I personally appealed to the government, saying that we should be professional about this and close the center down. Yes, Russia has descended to the level of Africa, Burundi. We cannot afford to engage in these things. We did not launch this airplane [as heard], it is already in the air, we cannot throw its crew out while it is in flight. We should land the plane first." [video shows the facility installations, control rooms, and grounds]

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**Russia: Details of Dimitrovgrad Leak, Aftermath Reported**

*MM0202110396 Moscow ROSSIYSKAYA GAZETA (Weekend Edition) in Russian 2 Feb 96 p 3*

[Report by Andrey Kirillov: "Radiation Leak in Dimitrovgrad. But Not for Long"]

[FBIS Translated Text] At 1125 hours Wednesday [31 January] an accident occurred at the nuclear reactor scientific research institute in Dimitrovgrad, a city 80 km east of Ulyanovsk. It is a class one incident on the international scale (the lowest level is class zero).

According to the official information the VK-50 reactor's emergency protection system worked according to plan. Nevertheless, around 1 tonne of steam and gas mixture was discharged via an emergency valve. As a result around 200 square meters of land adjacent to the reactor were contaminated with radioactive waste. A level exceeding the permitted norms has not been discovered beyond the bounds of the institute.

This information prompts a number of questions among people not well versed in nuclear secrets, and I put those questions to Aleksandr Manuylov, deputy director of the scientific research institute for emergency situations.

For example, how could a whole tonne of steam and gas "fit" into an area of just 200 square meters? According to Aleksandr Alekseyevich, this area was even larger than might have been presumed given the meteorological conditions prevailing at the time of the accident. The air temperature was minus 12 degrees, there was a hoarfrost, the air was stable, and wind speed was between 0.5 and 1.5 meters per second. The discharge took 8-10 minutes to condense.

Readings have revealed that the radiation level on the contaminated plot of land was around 400 microroentgens per hour. Incidentally, the officially permitted level in the production areas of similar enterprises is 240 microroentgens per hour. The total radioactivity of the discharge was 6 millicuries. An investigation has also shown that 80 percent of the discharge consisted of short-lived manganese-56 with a half-life of 2.5 hours.

I realize that these figures will not mean very much to most of our readers. Nevertheless, they are very important to the specialists because they show that this accident presented no danger to the institute's personnel or to the inhabitants of Dimitrovgrad and its surroundings.

In fact this is the second accident in the 40 years that the institute has been in operation. The first such accident occurred around 18 years ago. There were no serious consequences then either. Aleksandr Manuylov is inclined not to exaggerate its significance. He is sure that the situation is completely routine [vpolne zauryadnyy] and the protection system and the safety valve did their job. By 0800 hours yesterday morning the radiation level at the contaminated site had already fallen to around 30-40 microroentgens per hour.

Finally, the main question in such incidents is this: What was the cause of the accident? An investigation has revealed that the error was made by a technician — a crane operator punctured a container. Unfortunately, man tends to err more often than the VK-50 reactor. In the 25-30 years that this reactor has been in operation at the institute there has not been a single reactor malfunction.

**Russia: Official: 10 Sq. Km. of Dimitrovgrad Contaminated**

*LD0102223996 Moscow INTERFAX in English 1634 GMT 1 Feb 96*

[FBIS Transcribed Text] ULYANOVSK, Feb 1 (INTERFAX-EURASIA) — The emergency shutdown of a nuclear reactor and leakage of radionuclides Wednesday [31 January] from a nuclear research institute in the Volga basin town of Dimitrovgrad do not pose a threat for people or the environment, the institute's director Valentin Ivanov has said.

The acompanying media storm has completely distorted the event, Ivanov said.

The discharge consistedly largely of manganese with a decay period totalling two and a half hours. A total of 10 square kilometers were contaminated. The radiation level was 400 micro roentgen/hour. By now radionuclides have decayed and the institute is working in its normal regime.

**Russia: 'No Danger' Said to Health From Radioactive Leak**

*LD0102132896 Moscow Radiostantsiya Ekho Moskvy in Russian 0900 GMT 1 Feb 96*

[FBIS Translated Text] About a tonne of a radioactive mixture of gas and steam has been discharged into the atmosphere in the Ulyanovsk Region. It is the result of an unusual situation at a nuclear reactor of a research institite in Dimitrovgrad. The chairman of the ermegency situations committee in Dimitrovgrad reports that the contaminated area is no larger than 200 square meters. Our radio station was told by Vladislav Petrov, an official of the press service of the Russian Ministry of Atomic Energy, that the dose amounted to seven milliroentgen per hour. He believes it is just an unpleasant factor that poses no danger for the health of the population.

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[Begin Petrov recording] The pressure-relief valve opened and as a result an area was contaminated. The maximal doses were seven milliroentgen per hour. This poses no danger for the staff, still less so for the population. [end recording]

The radioactivity of the discharge into the atmosphere does not exceed 10 curie. Such is the preliminary estimate of the Russian State Committee for Supervision of Nuclear and Radiation Safety [Gosatomnadzor]. An area with a radius no bigger than 50 meters around the malfunctioning reactor has been contaminated, we were told by Aleksandr Gutsalov, deputy chairman of Gosatomnadzor.

[Begin Gutsalov recording] The [radioactivity] level on the soil is about 20 times higher than the maximum. I cannot even class it as an accident. [end recording]

Let me add that the radiation level in the town does not exceed 14 microroentgen per hour. That, at least, is what the head of the Dimitrovgrad emergency situations committee Valeriy Malinovskiy, says. The town administration is sure that there is no danger not only for citizens, but for the staff of the institute as well.

**Russia: Radiation Level in Dimitrovgrad Complex Normal**

*LD0102180196 Moscow ITAR-TASS in English 1723 GMT 1 Feb 96*

[By Veronika Romanenkova]

[FBIS Transcribed Text] Moscow, February 1 (ITAR-TASS) — The radiation level on the territory of a sanitary zone of a research institute of nuclear reactors in the city of Dimitrovgrad, where an accident occurred on Wednesday, does not exceed the permissible level and measures 10-20 micro Roentgen per hour.

However, in the contaminated area of approximately 200 square meters the radiation level exceeds the norm by 10-20 times, reaching 250 micro Roentgen per hour, ITAR-TASS learned today from the press service of the Russian Atomic Energy Ministry.

The accident occurred at 11:15 January 31, when a safety precaution valve was activated, reducing pressure in the reactor which was stopped. A steam-like mixture was discharged into the atmosphere measuring 100 milli-curie, which contaminated part of the territory of the research complex.

Managers of the research complex said that none of the personnel had been hurt and that there was no immediate threat to their health. The accident was preliminary assessed as level "one" on a seven-point international scale of accidents at nuclear power stations.

The after-effects of the accident are being eliminated by the staff of the research institute responsible for cleanup in incidents of radioactive contamination. At present, operations to bury the contaminated snow are being completed. The reactor might be put into operation in a few hours.

**Russia: Khabarovsk Duma Concern Over Chechnya 'Extreme'**

*LD0102144196 Moscow INTERFAX in English 1026 GMT 1 Feb 96*

[FBIS Transcribed Text] KHABAROVSK, Feb 1 (INTERFAX-EURASIA) — The Khabarovsk Duma voiced "extreme worry" about the incessant warfare in Chechnya and the growing number of terrorist acts in Thursday's letter to President Yeltsin, the federal government and the Federal Assembly.

The Khabarovsk legislature rejects the use of force in efforts to settle the Chechen problem. It suggests that President Yeltsin invite all the constituent parts of the Russian Federation and related legal and natural persons to hold a roundtable discussion which will produce a formula for the solution of the Chechen problem.

## Economic Issues

**Russia: Yasin on Failure To Meet 1995 State Investment Plan**

*MK0202060496 Moscow NEZAVISIMAYA GAZETA in Russian 1 Feb 96 p 4*

[Unattributed report: "Investment Down 15 Percent in 1995"]

[FBIS Translated Text] The total amount of investment in the Russian economy in 1995 dropped by 15 percent as against 1994. This was announced Tuesday [30 January] during a founding meeting for the International Investment Union in Moscow by Russian Federation Economics Minister Yevgeniy Yasin. In his words, the 1995 program of state investment to the amount of 18 trillion rubles was provided with as little as 60 percent of the funds. The minister expressed doubt that the government would be able this year to fully complete the program of state investment with the aim to support promising projects through funds from the federal budget.

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**Russia: Pension Fund Owes 670 Billion Rubles to Pensioners**

*LD0202091596 Moscow ITAR-TASS in English 0811 GMT 2 Feb 96*

[By Liliya Kuznetsova]

[FBIS Transcribed Text] MOSCOW, February 2 (ITAR-TASS) — "A shortage of financial funds to pay pensions fully resulted in a situation when the Russian Pension Fund owed 670 billion roubles to pensioners at the start of the current year, Yuriy Lyublin, first deputy chairman of the Russian Pension Fund, said in an exclusive interview with ITAR-TASS here on Friday [2 February].

However, despite the difficult financial situation, this debt was virtually fully paid in January, Lyublin emphasised. He singled out several main factors negatively influencing the fund's financial position.

In Lyublin's opinion, this is, above all, a substantial decrease in financial possibilities for pension maintenance, which is observed in Russia over the past four years. For instance the share of wages in incomes of the population dropped from 70 percent in 1992 to 37-39 percent in 1995.

Insurance contributions to the Pension Fund directly depend on the size of the wage fund. The general economic situation in the country also negatively influenced the financial situation in the fund.

The tough credit and financial policy aimed at beating down inflation resulted in credits insolvancy of enterprises. Cash totals, on average, only 20 percent in settlements between Russian enterprises, the rest is barter and mutual offsets.

Besides, the Pension Fund did not receive about a 5,000 billion roubles due to delays with wage payments. Ducking of enterprises from payments of pension contributions resulted in a situation when the arrears to the Pension Fund rose from 7,000 to 20,000 billion roubles in 1995.

According to Lyublin, relations between the Pension Fund and the federal budget were very difficult last year. The fund did not receive 3,000 billion roubles from the budget by the end of the year to be paid out as social pensions and pensions to Chernobyl disaster victims and to servicemen.

All in all, the state's debt to the fund totalled 4,600 billion roubles since 1992. The deputy chairman noted that there is no way of settling this problem in the near future. According to calculations, the federal budget is to appropriate 15,700 billion roubles for pensions in 1996. However, the plan provides only for 4,400 billion. Lyublin claimed that a favourable picture with the deficit of the federal budget is partially achieved due to this trick.

The deputy chairman claimed that the banking crisis which erupted last year, had a very negative influence on the state of the fund: 600 billion roubles on insurance contributions, already transferred by enterprises to the fund, "got stuck" at banks.

Therefore, Lyublin continued, it is high time to make amendments to legislation which would regulate relations between the Pension Fund and the federal budget as well as relations between the Central Bank and commercial banks, under which the Central Bank would be vested with powers and would be obliged to follow movements of federal funds in commercial banks.

Apart from resolving these issues, Lyublin added, it is necessary to start in deeds and not in words a reform of the pension system. Pensioners will receive there pensions in time only after this reform, he stressed.

**Russia: Accord With EU Introduces 'Fundamental Changes'**

*LD0102211096 Moscow ITAR-TASS World Service in Russian 1312 GMT 1 Feb 96*

[By BIZNES-TASS correspondent Irina Bolshova]

[FBIS Translated Text] Moscow, 1 Feb (ITAR-TASS) — The interim agreement on trade between Russia and the EU which came into effect today introduces fundamental changes to the trade and political procedures for cooperation between our countries, experts from Russia's Ministry of Foreign Economic Relations consider.

The main goal of this document, which will operate until the agreement on partnership and cooperation between Russia and the EU comes into force, is to regulate issues linked with trade procedures, protection of intellectual property rights, and customs procedures. All trade conflicts should now be resolved in the first instance by means of consultations.

A BIZNES-TASS correspondent was told today in the Russian Federation Ministry for Foreign Economic Relations that for Russia the main provisions of the trade agreement create considerable advantages with regard to ensuring favorable access conditions for its goods in their main market — the European countries. These countries already account for almost half of Russia's whole foreign trade turnover. Thus, in 1995 Russian exports to Europe amounted to $43.3 billion which was an increase of 23.5 percent compared with 1994, while imports from there amounted to $22.3 billion which was an increase of 11.2 percent.

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In particular, the interim agreement will give Russia the opportunity to protect its interests more effectively when anti- dumping procedures are instituted by the EU and when protectionist measures are taken against Russian goods. The agreement also forbids the EU to implement quantitative restrictions on the import of Russian goods other than steel and textiles — the trade in these is covered by separate agreements. At the same time, experts of the Ministry for Foreign Economic Relations note that Russia preserves the right to implement analogous measures with regard to imports from the EU.

**Russia: Bank Completing Preparations for Dollar Exchange**

*MM0102155596 Moscow IZVESTIYA in Russian 1 Feb 96 p 2*

[Report by Yaroslav Shimov: "They Will Still Charge Commission When Exchanging $100 Bills"]

[FBIS Translated Text] Even though the precise date of the introduction of the new $100 bills into circulation has not yet been announced, the Russian Federation Central Bank has already issued a new instruction outlining the procedure for exchanging old bills for new ones — a sure sign that the transformed dollar will be showing itself to the people in the very near future.

Admittedly, the instruction, signed by Central Bank Chairman Sergey Dubinin 31 January, is concerned not just with dollars but with foreign currency of different dates of issue generally, but everyone knows that it is mainly concerned with the $100 bill. In addition to officially enshrining the exchange of old bank notes for new ones the instruction imposes stricter controls over the activity of bureaux de change. Each office is now obliged to keep a register of complaints — special forms on which any client is entitled to make a complaint, which is then sent to the Central Bank. In addition, telephone "hot lines" will be opened in all Central Bank regional branches for people to report violations of the currency dealing rules.

The main question still troubling holders of dollars in Russia (and our country accounts for at least 15 percent of all the cash dollars in the world) is the amount of commission that the banks are going to charge for exchanging the old bank notes for new ones. In principle, according to William Berden [surname as transliterated], financial attache at the U.S. embassy in Russia, this charge is quite justified by the cost of shipping the cash from America. However, the U.S. side constantly reminds people that it is not obligatory to exchange the old bills for new ones: The old notes will remain negotiable until their complete withdrawal from circulation, in other words, not for a number of years.

As journalists were told by Aleksandr Khandruyev, first deputy chairman of the Central Bank, the Vneshtorgbank [Foreign Trade Bank of Russia] has joined the eight major banks which have promised to set a commission ceiling of 2 percent of the transaction value when exchanging dollars. A. Khandruyev has expressed the hope that most other banks will agree to commission charges on this scale and that the introduction of the new bank notes in Russia will pass off smoothly.

**Russia: Government To Stabilize Agriculture in 1996**

*LD0102184996 Moscow INTERFAX in English 1316 GMT 1 Feb 96*

[FBIS Transcribed Text] MOSCOW, Feb 1 (INTERFAX) — The Russian government intends to create "premises for stabilizing" agricultural-industrial production in the country this year, and aims to produce 77 million tonnes of grain against 63.5 million tonnes in 1994.

This prognosis was included in the draft resolution On Measures for Stabilizing the Economic Situation in Russia's Agricultural-Industrial Complex in 1996. The State Duma proposed to the Cabinet of Ministers on January 31 to adopt this document "within a week." If it is not adopted, imports of food products will grow, deputies believe, reaching 60 percent of the total volume by the end of this year.

The draft also provides for production of 20 million tonnes of sugar-beet (against 19.1 million tonnes in 1994), and 4.5 million tonnes of sunflower seeds (3.8 million tonnes). Production of meat and poultry will be about 9 million tonnes (9.4 million tonnes in 1994), of milk - 34 million tonnes (39.4 million tonnes), eggs - 32 billion units (33.7 billion units), reports our INTERFAX correspondent, who had an exclusive opportunity to get to grips with the draft resolution.

The draft provides for a complex of additional measures to strengthen state support for agricultural production. The 1996 state budget provides for the allocation of more than 13.1 trillion rubles for the needs of agriculture.

In particular, a credit against goods will be granted for supplies of oil, which will be processed for the agricultural needs directly in the regions, but not for ready made lubricants. The settlement of the 4 trillion-ruble debt on the 1995 credit against goods "will be postponed to not later than January 1, 1998," for

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agricultural producers in the regions which suffered from drought.

The government plans "to attract privileged credit resources from commercial banks amounting to 0.7 trillion rubles" for production and supply of mineral fertilizers and chemical herbicides.

"A whole bunch of disagreements" between the Agriculture and Food and Products Ministry, on the one hand, and the Economics, Finance, Fuel and Energy, Railway and Communications Ministries on the other hand is hindering adoption of this resolution, sources in the government told INTERFAX Thursday.

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## International Affairs

### Ukraine: Primakov, Marchuk Discuss CIS, Financial Cooperation

*LD0102152996 Kiev UNIAN in Ukrainian 1330 GMT 1 Feb 96*

[FBIS Translated Text] Kiev — Ukraine sees itself moving toward the CIS customs union through a free trade regime, Ukraine's Prime Minister Yevhen Marchuk said in reply to a question from a UNIAN correspondent after his meeting with Russian Foreign Minister Yevgeniy Primakov.

According to Marchuk, during the meeting, both sides discussed the issue of stepping up financial and industrial cooperation between the two countries and the creation and operation of transnational commercial organizations, corporations, and financial and industrial groups. He noted that at issue is how Ukraine would cooperate with member countries of the customs union, in particular, with Russia, Kazakhstan, and Belarus. Would it work with every country according to bilateral agreements, or would it sign the customs union agreement?

### Ukraine: Possible Changes to Treaty With Russia Noted

*LD0102165696 Kiev UNIAN in Ukrainian 1330 GMT 1 Feb 96*

[FBIS Translated Text] Kiev — Ukraine's Prime Minister Yevhen Marchuk does not rule out that changes could be made to the general political treaty between Ukraine and Russia, which has already been initialed, although this does not conform to international practice. He said this to journalists today after his meeting with Russian Foreign Minister Yevgeniy Primakov.

According to him, at the moment, there are no grounds for making such changes. He noted that during his meeting with President Boris Yeltsin [as received], no other issues arose apart from the issue of the delimitation of the border, which was removed from the text of the treaty.

### Ukraine: Primakov on START II, Clinton Spending Veto

*LD0102201796 Moscow INTERFAX in English 1912 GMT 1 Feb 96*

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] Kiev, Feb 1 (INTERFAX-UKRAINE) — The executive branch of the Russian power structures, including the Russian Foreign Ministry, keeps advocating ratification of the second treaty on strategic arms reduction, START-2, Russian Foreign Minister Yevgeniy Primakov told newsmen Wednesday evening in Kiev.

The START-2 agreement was submitted for ratification to the State Duma last year but views of this document differ now that U.S. Congress is debating the need for reconsidering the treaty on the limitation of antiballistic missile systems signed by the United States and the Soviet Union back in 1972.

In Primakov's view, the State Duma will be likely to make a positive decision on the issue in question, if President Clinton vetoes additional spending on the antiballistic missile systems and the U.S. legislature ratifies the unamended text of the START-2 agreement.

At the Thursday news conference Primakov spoke against linking the question of NATO enlargement with the ratification of the treaty. He said the linkage is unnatural. "The treaty must be ratified as soon as possible," he said.

According to him, NATO can join the future European security structure. "But all functions of guaranteeing European should not be surrendered to that organization," he said. [sentence as received]

### Ukraine: Primakov: Disintegration of USSR 'Irreversible'

*LD0102162896 Kiev UNIAN in Ukrainian 1520 GMT 1 Feb 96*

[FBIS Translated Text] Kiev — At their meeting, Ukrainian President Leonid Kuchma and Russian Foreign Affairs Minister Yevgeniy Primakov discussed the whole range of Ukrainian-Russian problems.

Dmytro Markov, the Ukrainian president's press officer, told journalists that during the dialogue, the Russian foreign minister stressed that "there is no ambiguity" in the Russian leadership "in its attitude to the idea of reviving the Soviet Union. This cannot be, and the process of sovereignization of the former Soviet Union republics is irreversible."

Touching on prospects for further development of Ukrainian-Russian mutual relations, Leonid Kuchma noted the beginning of a stage of "realistic pragmatism."

According to the press officer, the two men also discussed problems of a socio-political nature, economic integration by setting up joint enterprises, and so on.

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**Ukraine: Primakov Not in Favor of 'Zero Option' Review**

*LD0102180796 Kiev UNIAN in Ukrainian 1520 GMT 1 Feb 96*

[FBIS Translated Text] Kiev — Replying to a question concerning the possibility of a review of the issue of the division of assets and liabilities of the former USSR and the "zero option" with Ukraine, Russian Foreign Minister Yevgeniy Primakov said at a news conference at Borispol airport that he cannot understand how the "zero option" could be reviewed since the debt restructuring program is linked to it. According to him, this part of the package has already been implemented and other parts are awaiting implementation.

**Ukraine: Marchuk, Primakov Praise Joint Commission's Formation**

*LD0102133496 Kiev UNIAN in Ukrainian 1030 GMT 1 Feb 96*

[FBIS Translated Text] Kiev, [no date as received] — Some problems in mutual relations between Ukraine and Russia will be resolved, while mutual understanding will deepen on others — this was the hope expressed by Ukrainian Prime Minister Yevheniy Marchuk at his meeting with Russian Foreign Minister Yevgeniy Primakov on 1 February.

A UNIAN correspondent reports that Marchuk noted that the creation of a joint Ukrainian-Russian commission at government level was a new stage in the countries' relations. The Russian foreign minister is convinced that this commission will make it possible to maintain the relations, which have been attained at meetings of the presidents, at a constant level.

Referring to President Boris Yeltsin, the Russian foreign minister stressed the high priority of Russia's relations with CIS countries, emphasizing that these relations should be bilateral ones.

**Ukraine: Udovenko, Primakov Sign Protocol on Consultations**

*LD0102134496 Moscow INTERFAX in English 1226 GMT 1 Feb 96*

["INTERFAX-UKRAINE" news item]

[FBIS Transcribed Text] KIEV, Feb 1 (INTERFAX-UKRAINE) — Ukraine's Foreign Minister Hennadiy Udovenko and his Russian counterpart Yevheniy Primakov signed a protocol on consultations between their ministries in Kiev on Thursday. Primakov announced this at the beginning of his meeting with Ukraine's Prime Minister Yevheniy Marchuk.

The protocol defines the topics of consultations, and is broad enough, Primakov said.

Addressing Primakov, Marchuk pointed to the great role to be played by the recently formed joint commission led by the two countries' prime ministers.

The commission will work in parallel with the negotiating process, he said. "When we come to face a problem, we'll gather everyone required to resolve it, and work till a solution is found," Marchuk said.

He views the commission as an important new mechanism in relations between Ukraine and Russia, he said.

Primakov said that he likes this approach. "I am willing to remain in Kiev till we resolve all our problems," he said.

Primakov's visit ends on Thursday. In his schedule he is to meet with President Leonid Kuchma.

**Ukraine: Ministers Primakov, Udovenko Agree on Summit Agenda**

*LD0102181496 Moscow INTERFAX in English 1634 GMT 1 Feb 96*

[FBIS Transcribed Text] KIEV, Feb 1 (INTERFAX-UKRAINE) — Ukrainian Foreign Minister Hennadiy Udovenko and his Russian counterpart Yevgeniy Primakov signed a schedule for consultations in Kiev on Thursday in advance of the Russian president's visit to Ukraine set for April 4-5.

Udovenko told a news conference a similar schedule was earlier signed in Sochi by representatives of border and customs departments of both countries. The Ukrainian and Russian defense ministers also have prepared a schedule, according to the minister.

According to Udovenko, Ukrainian President Leonid Kuchma meeting with Primakov on Thursday noted the need to intensify the process of negotiations "and find solutions to the unresolved problems to ensure the success of this important visit."

Primakov said that he had invited Udovenko to Moscow for an official visit. "I believe this will happen well before the arrival in Kiev of President Yeltsin," he said.

Asked about the possible holding in Kiev of a conference on European security, Primakov said, "If Ukraine assumes the functions of the host side, we have no grounds for objections."

Udovenko believes that the resignation of Black Sea Fleet commander Admiral Eduard Baltin, decided by both presidents, "should relax tensions in the Fleet's leadership."

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**Ukraine: PM Marchuk on Primakov Talks, Yeltsin Visit**

*LD0102150996 Kiev UNIAN in Ukrainian 1330 GMT 1 Feb 96*

[FBIS Translated Text] Kiev — According to Ukraine's Prime Minister Yevhen Marchuk, there are no obstacles to Russian President Boris Yeltsin's visit to Ukraine nor to the signing of a general political treaty. He said this today during an interview with journalists after meeting Russian Foreign Minister Yevgeniy Primakov. According to him, there are slight differences of opinion between himself and the Russian foreign minister with regard to the text of the treaty between the two countries, since Yevgeniy Primakov considers that the signing of the general political treaty should take place before the Black Sea Fleet problem is resolved.

Yevhen Marchuk noted that if the division of the Black Sea Fleet continues to develop in the way it is developing now, then in principle, Ukraine could accept Russia's approach. He said that Russia's transfer to Ukraine of military camps in addition to hardware will see the emergence of a number of problems connected with financing these facilities.

Ukraine's prime minister also noted that there were some positive fundamental improvements as regards the problem of bases in Sevastopol.

**Ukraine: Primakov Visit to Kiev Seen as 'Very Fruitful'**

*LD0102202996 Moscow Russian Public Television First Channel Network in Russian 1800 GMT 1 Feb 96*

[From the "Vremya" newscast]

[FBIS Translated Text] If the development of the negotiating process between Russia and Ukraine on the Black Sea Fleet continues to progress as it is at present, then the fulfillment set by the Russian side, that is, to sign an agreement on the Black Sea Fleet before a large-scale treaty, is quite possible. Ukrainian Prime Minister Yevhen Marchuk stated this today after his meeting with Russian Foreign Minister Primakov.

Yevgeniy Primakov was in Kiev for two days on an official visit.

[Begin recording] [Correspondent Natalya Kondratyuk] The two-day official visit by Yevgeniy Primakov ended with the announcement of the date for Boris Yeltsin's arrival in Ukraine.

[Primakov] Fourth and fifth of April 1996.

[Kondratyuk] For the whole time remaining until then, the sides will hold intensive consultations at the level of Foreign and Defense Ministries in order to establish their positions on the status of the Russian part of the fleet and the time period and conditions of the lease. The relevant protocol was signed on this today.

The Ukrainian foreign minister said that the resignation of Eduard Baltin [commander of Russia's Black Sea Fleet] had a favorable influence on this process.

[Ukrainian Foreign Minister Hennadiy Udovenko] The implementation of this decision, which was made by the presidents of Ukraine and Russia, should lead to a reduction in the tension in the situation which had arisen in the leadership of the Black Sea Fleet.

[Kondratyuk] We are not likely to learn the details of the sides' positions since Yevgeniy Primakov considers that it is the business of diplomats to prepare documents and not to talk about them in the press. For two days the two delegations, in unison with him, spoke willingly about a successful visit, about progress in relations, and about complete mutual understanding, and categorically refused to go into details. They were not knocked off this path even by the nuance that the large-scale treaty had been, from the Ukrainian point of view, initialled but, from the Russian point of view, only agreed. The ministers agreed that the term agreed was simply the Russian translation of the Ukrainian concept of initialled.

Yuriy Dubinin, as a veteran of the negotiating process between Kiev and Moscow, added that the treaty was ready for signing from first to last word and, perhaps for the first time, described the two days in Kiev as very fruitful. [end recording] [video shows Primakov's meetings in Kiev]

**Ukraine: Primakov Leaves, Says Yeltsin To Visit in Apr**

*LD0102144096 Moscow ITAR-TASS in English 1403 GMT 1 Feb 96*

[By Mikhail Melnik]

[FBIS Transcribed Text] KIEV, February 1 (ITAR-TASS) — President Boris Yeltsin will pay an official visit to Ukraine on April 4 and 5, Russian Foreign Minister Yevgeniy Primakov told reporters on Thursday.

The visiting minister said that the so-called "big treaty" on friendship and cooperation between Russia and Ukraine is ready for signing "from the first letter to the last one."

Primakov noted that his talks with Ukrainian leadership and Foreign Minister Hennadiy Udovenko convinced him that all the remaining disputed issues, including that

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of the Black Sea Fleet, could be settled before Yeltsin's Ukrainian visit.

Udovenko told reporters that an agreement to intensify the negotiations "in order that the very important visit of Boris Yeltsin could take place" was reached on Thursday at Primakov's meeting with Ukrainian President Leonid Kuchma.

At the end of his Kiev visit, Primakov left for Moscow.

**Ukraine: Yeltsin Wished Election Success in Birthday Message**

*LD0102181096 Kiev UNIAN in Ukrainian 1520 GMT 1 Feb 96*

[FBIS Translated Text] Kiev — Ukraine's Foreign Minister Hennadiy Udovenko has sent his greetings to Russian President Boris Yeltsin on the occasion of his birthday and wished him "so much good health in order that he may endure the presidential campaign and win in the elections." According to Udovenko, Boris Yeltsin is conducting an active policy toward democratic and economic transformations in Russia which "is also of enormous importance for neighboring Ukraine."

**Ukraine: EU Agreement Grants Kiev Most-Favored Nation Status**

*WS0202105196 Kiev INTELNEWS in English 0028 GMT 2 Feb 96*

[FBIS Transcribed Text] Kiev, Feb. 1 — An Interim Agreement has entered into force between Ukraine and the European Union Feb. 1, the European Commission's delegation in Kiev reported Thursday.

The new agreement grants Ukraine most-favored nation treatment for trade in goods, according to the announcement.

"The Interim Agreement is historic in that it establishes a firm legal basis for the relationship between Ukraine and the European Union," said Luis Moreno, ambassador and the head of the EC's delegation in Ukraine.

The new agreement is necessary because a Partnership and Cooperation Agreement signed in June 1994 in Luxembourg needs to be ratified by all the national parliaments of EU countries. This has so far occurred in the Ukrainian, Spanish, British, Danish and European parliaments.

The Interim Agreement, according to the announcement can be brought into force more quickly because provisions of the main agreement requiring ratification by all the EU member state parliaments have been removed. It enters into force following a positive opinion from the European Parliament, a decision from the EU's Council of Ministers and a Ukrainian presidential decree.

**Ukraine: BSF 'Source' Denies Baltin To Remain in Charge**

*LD0102132496 Moscow INTERFAX in English 1226 GMT 1 Feb 96*

["INTERFAX-UKRAINE" news item]

[FBIS Transcribed Text] SEVASTOPOL, Feb 1 (INTERFAX) — A source in the Black Sea Fleet has denied reports in some news media to the effect that Admiral Eduard Baltin stays on as the Black Sea Fleet commander.

The fleet command received a telegram from Russian Defense Minister Pavel Grachev which says that "by presidential decree No 107 of January 27 Eduard Baltin was relieved of the post of Black Sea Fleet commander," the source told INTERFAX.

In his telegram Grachev orders that the first deputy of the Fleet commander, Vice-Admiral Gennadiy Suchkov, take over from Baltin. For a while, Suchkov will be acting commander of the Black Sea Fleet.

A spokesman for the defense ministry's information department confirmed to INTERFAX the fact of sending the telegram to the Black Sea Fleet command.

**Ukraine: Situation on Border With Dniester Called 'Tense'**

*LD0102235196 Kiev UNIAN in Ukrainian 1850 GMT 1 Feb 96*

[FBIS Translated Text] Kiev — The situation on the border between Ukraine and the Dniester Republic has become tense and the problem of smuggling weapons of the 14th Russian Army is becoming ever more acute, Anatoliy Byelyayev, deputy chairman of the Security Service of Ukraine, told a sitting of the coordinating council for combating corruption on 1 February. Byelyayev was the head of the commission set up to study the state of crime prevention activities in Odessa Region.

He said the residents of the border regions of Ukraine and the Dniester Republic maintain that any military equipment, arms and ammunition can be easily bought from the depots of the 14th Army. "Evidence of this is the fact that five military vehicles, escorted by Chechens, were detained on their way to Russia in the absence of any properly made documents," he said.

According to information provided by Anatoliy Kozhemyakin, the chief of the Odessa Region Directorate of

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the Security Service of Ukraine, the regions bordering on the Dniester Republic account for the bulk of crimes involving fire arms and explosives that are committed in Odessa Region.

## National Affairs

### Ukraine: Miners Begin 'Indefinite' Strike

*LD0102134396 Moscow INTERFAX in English 1226 GMT 1 Feb 96*

["INTERFAX-UKRAINE" news item]

[FBIS Transcribed Text] DONESTSK, Feb 1 (INTERFAX-UKRAINE) — Ukrainian miners began an indefinite strike on Thursday, demanding pay and a solution to the problems of the industry.

According to the central strike committee, of the 250 mines in the republic, about 100 have stopped work, while others have been working but not shipping coal to consumers.

The committee and the coal industry have so far had no accurate figures on how many miners are on strike.

In the Donetsk coal-mining region, workers at eight of the 21 mines have been on strike as of the early morning shift, the local strike committee has reported.

Meanwhile, several collieries are reported to be operational as usual. Work has continued at 18 pits in Makeevugol, six pits in Krasnoarmyeskugol of the Donetsk region, and 11 pits in Pavlogradugol of the Dnepropetrovsk region. These mines produce about 30 percent of the entire coal output in Ukraine.

The Krasnodonugol colliery in the Lugansk region has been affected by the strike most of all.

Workers at 12 mines in the Chervonogradskya zone of the Lvov-Volynskiy coal basin, comprising 18 pits in all, have stopped shipping coal to consumers in protest against wage delays.

About 15,000 miners attended a rally in the Chervonogradskaya zone Thursday morning, reported Vasiliy Lazorchik, chairman of the local independent miners union. He added however that all the mines in the zone have been at work, turning out an average of 15,000 tonnes of coal a day.

### Ukraine: Miners Adopt Statement Protesting Government's Action

*LD0102212596 Moscow ITAR-TASS World Service in Russian 1606 GMT 1 Feb 96*

[By ITAR-TASS correspondent Anatoliy Gordeyev]

[FBIS Translated Text] Donetsk, 1 Feb (ITAR-TASS) — The indefinite strike begun today by Ukraine's miners is gathering momentum. According to the strike central headquarters, by 1500 [1200 GMT], 142 of the 278 coal enterprises of the republic have stopped producing coal and 115 have canceled coal deliveries to consumers. Some ore-dressing factories and railway workers have joined the industrial action.

The strike central headquarters held a meeting today and adopted a statement addressed to the republic's government. The miners expressed their strong protest against attempts by Ukrainian Prime Minister Yevheniy Marchuk to pass the responsibility for the decline in the industry to the miners.

"The measures put forward by the government and aimed at paying off wage arrears are not serious, to say the least," Nikolay Podgornyy, deputy chairman of the trade union of coal industry workers, told an ITAR-TASS correspondent. "The Cabinet of Ministers is trying to collect 10,000 billion karbovanets from various funds, but first, this sum will cover just one-seventh of the total debt, while the workers of our industry have not received their salaries for three or four months. Second, this money will inevitably draw the industry deep into debt, since the money will be given to the miners as a loan."

### Ukraine: Marchuk Gives Address on Mining Crisis

*LD0102232596 Kiev UT-1 Television Network in Ukrainian 1930 GMT 1 Feb 96*

[Address by Ukrainian Prime Minister Yevhen Marchuk in Kiev on 31 January — recorded]

[FBIS Translated Text] [Announcer] Dear viewers, taking into account the importance of the current situation in Ukraine and fulfilling requests from citizens and labor collectives, primarily in miners' regions, we now repeat the speech by Ukraine's Prime Minister Yevhen Kyrylovych Marchuk, which was aired by Ukrainian television yesterday.

[Marchuk] The nature of the events that are taking place in the coal industry originates from the structure of the entire industry which we inherited, and we are paying for the slow rate of the reform of all industry — first and foremost, the coal industry — basic industry. In other words, the delayed structural reorganization of the coal industry now makes itself felt in a fundamental manner. I mean to say that miners' wage arrears are growing. However, I would like to stress that the government's debt stands at about 1 trillion karbovantsi as compared with the total volume of the debt to miners estimated at approximately 30 trillion karbovantsi. In other words, where it comes to budgetary issues, the debt is virtually nonexistent. The debt is being accumulated due to other factors.

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Today, we were again discussing ways out of the situation. The government discusses this issue almost daily. We regard the coal industry is the basic one, and all its problems make themselves felt in all other industries without delay. During the past year and now, the government has been dealing with the problems facing the coal industry. Financial assistance to the value of about 100 trillion karbovantsi was rendered to the coal industry last year alone. This sum includes budgetary aid, credits issued by nationai commercial banks, and certain tax exemptions. Therefore, it would be incorrect, to say the least, to claim that the government pays no attention or renders no assistance to the industry.

This is how we see the situation developing: First, I would immediately like to say that nobody can improve the sector's management through strike action whatever its form; on the contrary, they will only make it worse and it will be more serious than before. That is why I would like to say that I am against the strikes, especially in the basic sectors of industry and especially at this moment. Other than harming the sector the strikes will do little else.

Second, how can we resolve the issue? The procedures that we have drawn up to resolve the issue are tactical and these are for the present moment, and there are those that are for the future. Organizationally, first of all we are talking about approving a concept for reforming the coal industry through a presidential decree which will be discussed at a Cabinet of Ministers' meeting on Tuesday [6 February], depending on the level of preparedness. A group of officials from our coal, economy, and finances ministries will depart for the Donetsk basin and will finalize this document along with experts and directors from the coal enterprises and mines. We expect that this issue will be resolved with the participation of a large number of experts from the coal industry.

In addition, we also envisage joint meetings with the appropriate Supreme Council commissions and would like to propose to hold joint meetings between the Cabinet of Ministers of Ukraine and the Supreme Council on Monday. At issue is how we can remedy the situation concerning wages. We have found such procedures and there are several of them — about a dozen. They enable us to find non- emission funds in the economy but I would like to repeat that this is not borrowing from the budget to help the miners but a way of searching for procedures that will impel the coal industry's debtors — the Ministry of Industry and the power engineering sector — to settle their debts with the coal workers to enable them to pay miners' wages.

In addition, there are also several other procedures that are linked to the sale of securities on the exchange market. Some procedures have been implemented that are linked with the state resources and the implementation of state resources. Apart from that, it is also envisaged that this be reconsidered to using some non-budgetary funds involving large unused funds which could be temporarily used to resolve this problem. But all these procedures mainly envisage the mandatory return of these funds.

In order to do this, and to build trust in these procedures in future, the coal industry itself — and I told this to coal industry leaders and to the minister today — should work so that it could be able to make money which could then be used to reimburse those expenses. In other words, the idea is that at present, while focusing attention on the issue of paying miners' wages, we should at the same time work on raising the efficiency of coal industry enterprises.

An appropriate timetable for raising funds has been made up for the next few days. The sum is approximately equal to the volume of one-month wage arrears. Obviously, we shall not be able to solve all the problems — the fact that structural reorganization of the industry has not been completed stands in the way of resolving the issue as a whole. However, we have worked out a procedure for solving the acute problems dealing with the payment of wages. Besides, we also agreed today to make payments to those who had brought recourse action; however, this will so far apply only to the claims brought before 1 January 1994. And then, under the agreement reached, appropriate auditing and re-examination will be carried out, and the issue will be resolved; however, this will be the second stage.

We also envisage stepping up the activities of the coal industry and intensify work on launching all the procedures that will raise the efficiency of the entire industry. By the way, they are also studying... [pauses] they have been instructed to study, within several days, the issue concerning prices for coal. There are quite a few proposals concerning liberalization of prices for coal. However, there are problems here which we need to know in detail and which may lead to a rise in prices for all other products. Therefore, we should make calculations, but the issue should also be examined.

As a whole, I would like to say that the current situation makes itself felt in a rather acute manner — this is the fact that the time for the reform of the coal industry has been wasted. This was precisely one of the reasons why the former minister of coal industry was dismissed. In other words, retribution for the slow rate of reform of the economy as a whole, and its basic industry in this particular case, makes itself felt today. In other words, this is yet another lesson to all — if we have got down

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to reforming the economy as a whole we should do this at a high rate, in a well thought-over manner — though everything has been calculated — but without stopping at the crossroads and without making long pauses.

**Ukraine: Marchuk: Miners' Funds 'Dispatched in Good Time'**

*LD0102234796 Moscow ITAR-TASS World Service in Russian 2021 GMT 1 Feb 96*

[FBIS Translated Excerpt] Kiev, 1 Feb (ITAR-TASS) — The funds intended for the miners were dispatched in good time, Ukraine's Prime Minister Yevhen Marchuk said in connection with the Ukrainian miners' indefinite strike which began today. He said that the management of the coal industry and allied industries and consumers holding back payment for coal that has been dispatched had been to blame.

The miners are putting forward exclusively economic demands, connected with the debt of 78 trillion karbovantsi owed to them. Moreover, from the start of this year the coal industry was stripped of its state subsidies which had affected the price of coal and had resulted in a decline in coal extraction. Instead of giving the industry assistance, the government had imported 20 million tonnes of coal on which it had spent $250 million. On the eve of the strike Viktor Derzhak, the leader of the coalminers' union, said that the miners' position had also been made worse by the IMF draft plan to reduce the number of unprofitable mines. [passage omitted]

**Ukraine: BSF TU-22 Strategic Bombers Arrive in Poltava**

*WS0102155396 Kiev KIYEVSKIYE VEDOMOSTI in Russian 31 Jan 96 p 3*

[Report by Vitaliy Tsebriy: "We Have Strategic Bombers, but Their Strategic Task Remains a Military Secret"]

[FBIS Translated Text] The TU-22M3 missile-carrying heavy bombers began to arrive in Poltava last week. The bombers had been handed over to Ukraine as our state's share of the divided Black Sea Fleet. Colonel Vasyl Kukulenko, deputy commander of the division of heavy bombers deployed in Poltava, has told a SOTSIUM correspondent that 20 aircraft of this class will comprise a regiment which will also be deployed in Poltava. So far, four heavy bombers have arrived. These combat aircraft were manufactured in Kazan in 1990, their maximum unrefuelled combat radius is almost 4,000 km, and with three flight refuellings they can fly to Sakhalin and back. Each aircraft is equipped with hi-tech computer avionics and can carry almost four tonnes of ammunition. The TU-22M3 aircraft are capable of performing strategic tasks on other continents. However, what tasks have been set for Poltava's military pilots remains a military secret. Yet we know that until recently, the aviation regiment was a component of the Russian Armed Forces designated to deter the U.S. Sixth Fleet in the Mediterranean. The regiment had been based near Simferopol.

**Ukraine: Chornovil Urges 'Decisive Actions' on BSF Issue**

*AU0202104696 Kiev HOLOS UKRAYINY in Ukrainian 31 Jan 96 p 6*

[Undated "Statement by Ukraine's People's Rukh Faction" signed by Vyacheslav Chornovil, head of faction]

[FBIS Translated Text] As is known, the period of joint subordination of the Black Sea Fleet to Ukraine and to the Russian Federation expired on 31 December 1995. "Joint subordination" was purely fictional and was used to achieve known political goals and, at the same time, to break down the fleet and loot its property. This is attested to by the horrible state of those facilities that were handed over to Ukraine — in Myrnyy, Novoozernyy, and so on. As estimated by competent specialists, over four years, the value of the Black Sea Fleet has fallen from $80 billion to $20 billion. Assets worth $60 billion have been looted and taken out of Ukraine. Ecological losses amount to $20 billion.

However, it is something else that is most important. Starting from 1 January, the presence of the Black Sea Fleet on Ukrainian territory has become a fact.

Information is now being disseminated to the effect that the period of joint subordination will be extended. This means the ultimate looting of the Black Sea Fleet assets, a delay in building the Ukrainian Naval Forces, and a threat to Ukrainian national interests and Ukrainian security.

Today, we have a possibility and a real chance to resolve the painful problem, which has been a source of instability and disputes for five years. It is time to take decisive action by parliamentary methods.

**Ukraine: World Bank To Grant Credit to Lvov City Council**

*LD0102180996 Kiev UNIAN in Ukrainian 1030 GMT 1 Feb 96*

[FBIS Translated Text] Lvov — The World Bank intends to grant credit to the value of $7.6 million, guaranteed by the Ukrainian Government, to Lvov City Council to carry out a project to develop the city's infrastructure.

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Pavlo Kachur, head of the City Council's economic policy and resources department, said that, in accordance with the agreement on granting the loan, it is envisaged that funds will be allocated for five years at an annual interest rate of 6.92 percent plus 1 percent insurance for the Ukrainian Government. He added that the agreement envisages the allocation of another $100,000 for consultative assistance on the project.

**Ukraine: Kuchma's Request To Amend Broadcasting Law Rejected**

*LD0102214996 Kiev Radio Ukraine World Service in Ukrainian 1700 GMT 1 Feb 96*

[FBIS Translated Text] The Supreme Council of Ukraine at its plenary sitting on 1 February adopted a resolution rejecting President Kuchma's repeated request regarding a law on introducing amendments and addenda to the law on television and radio broadcasting, which was adopted on 2 June 1995. As many as 283 people's deputies supported the proposal of the parliamentary Commission for Legislative Safeguards of Freedom of Speech and Mass Media to adopt that law without any amendments. It should be noted that the reason behind the president's decision to veto the law was his disagreement with certain provisions of the document which, in his opinion, run counter to the principles of delimitation of powers outlined in the Constitution of Ukraine and in the Constitutional Agreement. The president's remarks had to do primarily with the draft law provisions stipulating that the National Council for Television and Radio Broadcasting was obliged to coordinate with the relevant commission of the Supreme Council of Ukraine on provisions on the procedure for licensing and using broadcasting channels, the rules of bidding for licenses, the size of license fees, maximum tariffs on leasing broadcasting facilities, and a minimum charge for advertisements.

The president says this makes the Council for Television and Radio Broadcasting less independent and depreciates its responsibility for the legitimacy of the documents it adopts, and also deprives the president of the possibility to exercise control over the council's activities regarding making those decisions.

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## Belarus

### Belarus: Ukraine's Shmarov Visits CIS Headquarters

*WS0102090996 Minsk BELAPAN in English 0737 GMT 1 Feb 96*

[FBIS Transcribed Text] On January 31 Ukrainian Defense Minister Valeriy Shmarov visited the Minsk-based CIS Headquarters. While meeting CIS Executive Secretary Ivan Karatchenya, Valeriy Shmarov expressed readiness to discuss with him a wide range of problems existing in the Commonwealth and beyond, but he stressed that discussion is possible only proceeding from the position of the Ukraine as a sovereign and independent state preferring to develop its relations with the other CIS member-states on a bilateral basis. According to information received, during a 1.5-hour dialogue the parties considered questions concerning the CIS collective security system, the Ukraine's attitude towards it and towards military cooperation with the Russian Federation. Mr. Shmarov told about the Ukraine's position about the would-be NATO expansion eastwards and assured Mr. Karatchenya that his state did not intend to join NATO owing to its principles of non-joining any military blocs. "It is not easy for the Ukraine to adhere to such a position, the position of a neutral, non-bloc and sovereign state, which is at variance with the world practice with few exceptions," Mr. Shmarov said in an interview with a BELAPAN correspondent. "Nevertheless we are not going to change it, and intend to continue to develop relations with all countries and in all fields on the basis of bilateral cooperation."

### Belarus: Ukrainian Minister on Country's Strategic Partners

*LD3101210396 Moscow INTERFAX in English 1750 GMT 31 Jan 96*

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] Minsk, Jan 31 (INTERFAX-UKRAINE) — Ukrainian Defense Minister Valeriy Shmarov today said he saw Russia and Belarus as Ukraine's strategic partners.

Ukrainian and Russian Armed Forces are "cooperative and just would not survive without each other," Shmarov, who is now visiting Belarus, said at a meeting with cadets of the Belarusian Military Academy in Minsk Tuesday.

Ukraine has revised its views and believes that no "integrated enemy" could appear in the next few years or even decades, Shmarov said. He explained that neighboring countries or remote countries were unlikely to form a union against Ukraine.

Shmarov dismissed allegations that Ukraine has rushed to acquire membership in NATO as "absurd." He also said he saw plans for NATO's expansion eastward as premature. Ukrainian legislation stipulates that Ukraine is a neutral country which does not take part in any military blocs, he said.

Ukraine focuses on the development of bilateral relations with the CIS countries and other foreign countries, Shmarov said.

### Belarus: Lukashenka Meets With Ukrainian Defense Minister

*LD3101204596 Kiev UNIAN in Ukrainian 1800 GMT 31 Jan 96*

[FBIS Translated Text] Kiev — Within the framework of his official visit to Belarus, Ukrainian Defense Minister Valeriy Shmarov met Belarusian President Alyaksandr Lukashenka and CIS Executive Secretary Ivan Karatchenya on 31 January, and discussed with them issues of the future system of European security, possible NATO expansion, and relations between CIS countries, UNIAN learned at the Ukrainian Defense Ministry press office.

During the visit, which ended today the following items were signed: a plan of cooperation between the Ukrainian and Belarusian Defense Ministries for 1996, and six documents, including a protocol on exchanging information on flight safety, cooperation in military training, the Air Force and air defense force.

### Belarus: Lukashenka on Economy, Minister's Replacement

*WS0202124196 Minsk BELORUSSKAYA DELOVAYA GAZETA in Russian 25 Jan 96 p 3*

["Exclusive" interview with Belarusian President Alyaksandr Lukashenka by Svyatlana Kalinkina on 23 January in Minsk: "'No Emotions, Please'" — first paragraph is BELORUSSKAYA DELOVAYA GAZETA introduction]

[FBIS Translated Text] The nationwide meeting devoted to the performance of industry last year lasted for almost six hours, with a short, 20-minute, recess. The president talked for quite long, if not most of the time. Nevertheless, following the meeting, Alyaksandr Lukashenka gave BELORUSSKAYA DELOVAYA GAZETA an exclusive interview.

[Kalinkina] What do you think was the main result of the meeting attended by top Belarusian industrialists?

[Lukashenka] The main result is the agreements that we have reached on all issues raised by the industrialists. The government will address the issues that they

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touched upon. But God forbid that they should not fulfill the tasks that we have set. You see, there should be no one-way traffic here: We provide support to them, while they should do what they are obligated to do.

[Kalinkina] The industrialists were obligated to prevent the decline in production....

[Lukashenka] The word "prevent" is not correct here. They are obligated to ensure a 2 percent production growth annually.

[Kalinkina] What obligations did the government assume for its part?

[Lukashenka] The primary task is to protect national manufacturers. Speaking about more specific issues, we should not allow for overestimation of fixed capital (it affects prices anyway), and devise a set of price-regulating measures.... There are many obligations, and the government will soon make concrete decisions.

[Kalinkina] Also, the minister of industry [Kurankow] resigned during the meeting....

[Lukashenka] The phrase that you have used is too soft. It was not a resignation, he was fired from his job.

[Kalinkina] Still, do you really think that one person can be held responsible for the fact that the national economy is plunged in a crisis?

[Lukashenka] No, it was not only him. Kurankow was punished for something he had not done personally. I can assure you that he will have his "successors."

[Kalinkina] Should personnel reshuffles be expected in the entire Ministry of Industry, and will they affect only top management?

[Lukashenka] Top management, among others. I do not want to make any decisions now based on this year's results because this year saw deep transformations in both top management and politics. We showed ourselves as a state and dropped clearing [trade procedures].... This, of course, could not have happened without serious economic losses. But the year is already behind us. Now, we will compare the results from the past with figures for the first quarter. And we will make our judgment based on specific facts.

[Kalinkina] I understand that you are talking about your edict on the strategic development of the state. But we have already adopted the Anticrisis Program, providing for various stages of control and personal responsibility. Is it possible that your edict will have the same fate as that Program?

[Lukashenka] As for the Program of anticrisis measures, it has been fulfilled at the macroeconomic level. What about the microeconomic level? There are corrections being made. What can I demand from agriculturalists at a time when after the drought of 1994, three oblasts were stricken by another drought in 1995? As a result, we collected less grain than in 1994. As a man who came from this particular sphere, I understand that no matter how tough your demands are, nothing depends on these people. What can I demand from industrialists, economists, or managers when a whole range of objective reasons prevented us from achieving the objectives set by the Program? How can I mount any demands when the market (Russia and CIS countries), from the economic point of view, is politicized. This is exactly the reason why they cannot consume what we deliver there. I see that helped by my pressure, industrialists break into those markets, and that the second half of the past year created grounds for positive changes in spite of very tough monetary policies regarding the ruble exchange rate. True, we have not fulfilled what we planned. This, however, was caused by a number of objective reasons. From now on, there will be no such objective reasons because the pace of production decline cannot be worse.

[Kalinkina] Does this mean that Uladzimir Kurankow made some mistakes, since you fired him?

[Lukashenka] What else could I do when an enterprise manager comes to me and says: "What kind of people do you have there?" What should I do when the industry minister says one thing, but cites completely different figures? Why do you lie to the president? This is not right. There is nothing to talk about: The man just does not see any solution.

Here is one example. I summoned bankers, and we reached an agreement. They promised that they would help enterprises and find the money. Later, however, it turns out that the ministry had no program and the minister had no proposals. Then who is supposed say which enterprises need to be supported, how much [money] they should receive, and what programs are already in place?

So, believe me, no emotions were involved when Kurankow was fired. Frankly speaking, I was expecting that he would go away on his own.

[Kalinkina] As for Uladzimir Kurankow's successor, could you name specific candidates?

[Lukashenka] Not yet. But, of course, we have reserves; I am now considering six possible candidates. They include people who worked in the industry all their life, as well as those who work in the presidential vertical power chain.

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## Moldova

### Moldova: Dniester Bans All Transactions in Moldovan Lei

*AU0102125296 Chisinau INFOTAG in English 1930 GMT 31 Jan 96*

[FBIS Transcribed Text] Tiraspol, January 31 (INFOTAG) — The government in the self-styled Dniester Republic has prohibited all financial operations with Moldovan leu cash. As reads its decree of Tuesday, "all sales of goods in retail shops and rendering services for the Moldovan leu cash shall be forbidden." The ban has been imposed in conformity with president Smirnov's decree of January 11, by which a state of economic emergency had been introduced in the separatist region, when sales of goods and rendering services for foreign currencies had been toughened. The governmental decree also cancels all licenses issued earlier for the use of the Moldovan lei as a cash payment means by Dniester economic agents. Such licenses are available with many Dniester companies and enterprises who operate, in particular, in the field of medicament supply, transportation services, and some other. Despite the ban's purely economic wording, observers regard it as a political step. It followed after Tiraspol had realized Chisinau's serious intention to allow for no delivery of the newly-printed local rubles to the region. Tiraspol seems to be just revenging Chisinau for its 'currency blockade,' because the above-mentioned governmental decree allows payments in cash Russian rubles, U.S. dollars, German marks, and even Ukrainian coupons. Experts believe that Tiraspol's obstinacy may only aggravate the dramatic economic situation in the region. Dniester is facing an acute cash shortage. The latest coupon lot, printed in Moscow, was introduced in early 1996, but it turned out to be absolutely insufficient to cover the cash deficit. Seeking to change the situation somehow, President Smirnov issued one more decree on Tuesday, thus having amended several earlier regulatory enactments. Since now on, all Dniester enterprises of no matter what ownership type shall be shipping their produce without demanding advanced payment by clients — just on the basis of contracts signed with them.

### Moldova: Luchinskiy on Debate on Presidential Proposals

*LD0102213596 Moscow INTERFAX in English 1854 GMT 1 Feb 96*

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] The opening session of parliament will positively impact the social and political situation in the republic, Moldovan President Mircea Snegur told INTERFAX Thursday.

Snegur hoped the legislators will be able to "constructively and responsibly" consider his motions to rename the official language and introduce sale and purchase of land. "Society is eagerly waiting the parliament makes decisions on these issues," he said. Further political developments will heavily depend on what the decisions will be like, he added.

However, Parliamentary Chairman Petr Luchinskiy said the motion to rename the official language from Moldovan to Romanian will be "one of the most difficult at the current session."

"Now it is much harder to make a compromise decision on this issue than in 1994 when the constitution was adopted," Luchinskiy told INTERFAX Thursday.

Nevertheless, Luchinskiy was confident that "the use of both Moldovan and Romanian languages in Moldova will be guaranteed," independent from the results of the debate. "There are no fears of persecution for this," he added.

Luchinskiy explained the parliament's "ambiguous" reaction to the presidential motions by saying, "The deputies look at Snegur both as the president and a party chairman." "The parliamentarians link some presidential motions with his obligations before the organization he created and do not always distinguish between the Moldovan president and the chairman of the Revival and Accord Party," he added.

At the same time, Luchinskiy said that the executive and legislature did not have major differences on the functioning of state bodies and successfully cooperated in all issues.

Luchinskiy said the parliament will focus on economic documents at the current session. "Economic matters have always been in the center of legislators' attention," he added. This parliament passed 712 legislative acts at its previous four sessions, including 226 laws and 483 resolutions. "About one in three documents adopted relates to economics," he added.

Among other issues requiring legislative back-up, Luchinskiy highlighted the judicial reform, social protection of the population and implementation of the foreign policy concept.

Asked about the existing differences between the laws adopted and the constitution, Luchinskiy explained it by "the lack of legislative experience and problems of our transition period when the situation changes rapidly." At the same time, he noted with satisfaction that the republic had created all the necessary bodies to observe the law and settle disputes.

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Luchinskiy supported "calm and working ambience in parliament" and "thought-out rather than populist decisions."

Luchinskiy said there are no reasons to speak of early parliamentary elections. "The parliament always has reserve options to prevent deadlocks and crises," he added.

Luchinskiy also spoke against an early start of the presidential race. The parliament still is to amend the old election law or adopt a new one, he added. Only after that, political parties and action committees will be able to nominate their candidates.

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## Kazakhstan

### Kazakhstan: Nazarbayev Takes Part in Economic Forum

*LD0102213396 Moscow INTERFAX in English 1854 GMT 1 Feb 96*

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] [no dateline as received] President Nursultan Nazarbayev has arrived in Davos, Switzerland, to take part in the world economic forum there, Nazarbayev's press office told Interfax.

He is expected to hold a series of meetings with other heads of state and government and leaders of the international financial institutions and major banks and companies involved in the forum. International assistance to Kazakhstan's economic reforms will dominate the agenda of Nazarbayev's meeting with EBRD President Jacques de Larosier, the press office said. IF Note: In an opening speech to the first session of the new parliament on Tuesday, Nazarbayev said he was hopeful that the country's international credibility would be enhanced following repayment of its $249 million debt to foreign creditors last year.

However, report say that after preliminary results of Kazakhstan's fulfillment of the 1995 budget, the Asian Development Bank has qualified it as the most unprosperous among Central Asian states and as being in an A group of states not liable for easy term credits.

For its part, Germany referred Kazakhstan to the fifth group of creditworthy states increasing loan insurances for Kazakhstan to 12%.

The Kazakh leader is also to make a report to the forum about the country's main development prospects in years to come and an extent of world business involvement in the process.

### Kazakhstan: Senate Committees Established

*LD0102214196 Almaty Kazakh Television First Program Network in Russian 1500 GMT 1 Feb 96*

[FBIS Translated Excerpt] The first session of the country's bicameral parliament continued its work today. [passage omitted]

[Unidentified correspondent] After a break for lunch Senate Chairman Amirbek Baygeldiyev gave his first news conference. He said that in spite of their many problems they had found time to meet journalists accredited to parliament. [passage omitted]

Touching upon practical matters, the speaker announced that there will be only four committees in the Senate: on economy and budget and financial matters; on legislation and judicial and legal reforms; on international affairs, defense, and security; and on matters of local development and self-government. The following people have been elected to head these committees: Daulet Sembayev, Zinaida Fedotova, Zhabaykhan Abdildin, and Amirzak Azganbayev. Two of them have considerable experience of working in parliament: Zinaida Fedotova used to be deputy chairman of the Supreme Council in two previous convocations; Zhabaykhan Abdildin worked in the committee for science. Daulet Sembayev, who was known as a deputy prime minister and, later on, chairman of the board of the National Bank, needs no introduction either.

At the beginning the parliamentarians will have to take decisions on five draft laws. By the way, for the first time the people's deputies have been deprived of a huge staff of aides and consultants. It was not clear from Amirbek Baygeldiyev's comments whether this measure was justified. So far no one can say the exact figure, but it is clear already that the upkeep of the new parliament will be several times cheaper for the people than it used to be, the speaker stated.

### Kazakhstan: Isingarin Views Relations With Russia

*964F0882A Almaty NOVOYE POKOLENIYE in Russian 19 Jan 96 p 3*

[Interview with Nigmatzhan Isingarin, first deputy premier of the Republic of Kazakhstan, by Yuriy Kirinitsiyanov; place and date not given: "Rivals? Allies? Partners?"]

[FBIS Translated Text] On the eve of the meeting of CIS heads of state it can be seen particularly distinctly that relations between Kazakhstan and Russia have been and remain the priority for the two states. Nigmatzhan Isingarin, first deputy premier of the Republic of Kazakhstan, reflects on this.

[Kirinitsiyanov] Nigmatzhan Kabatayevich, in the opinion of many analysts, you hold the main "threads" of the relations with Russia. Is this true. What percentage of your work time is spent on neighbors....

[Isingarin] The relationship with Russia means an enormous seam of issues. In the section of military cooperation, say, I deal with economic issues, not interfering in purely special problems, which are the province of the minister of defense. The Ministry of Foreign Affairs also has its own field for dialogue with its colleagues. But when the Ministry of Foreign Affairs moves to economic issues, I do not, of course, remain aloof. The Security Council exercises stewardship of the purely political aspects of the relationship of the two states. You could put it this way: I look after questions of economic cooperation with Russia.

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As for the amount of time.... Fifteen to 20 percent of my working day is spent on Russia, probably.

[Kirinitsiyanov] As regards what is most important, then. As you recall, the protocol "Completion of Stage One of Realization of the Agreement on a Customs Union" was signed in Almaty. And also "Priority Measures for the Further Realization of This Agreement." Let's try to translate these announcements from bureaucratic language into normal Russian. What's behind these "priority measures"? How many "stages" have the leaders of the two states planned and which of them includes a solution of elementary questions like the fact that in order to get to the city you have to pass through passport and customs control at Sheremetyevo 1 Airport, which frequently takes a whole hour....

[Isingarin] The Customs Union is an important stage in the formation of a strong and long-term economic union of the two states.

It should be remembered that the Customs Union itself is taking shape gradually, not in an instant. The three states—Russia, Kazakhstan, and Belarus—had no experience in this field when they concluded the treaty. We are arriving at the solution of many questions in the course of discussion of this problem or the other.

Yes, on 20 January 1995 the heads of state decided the issue in principle and immediately lifted customs duty between the two states. They gave themselves a timeframe—six months—within which all matters concerning each other were to be brought to a common denominator.

First and foremost, they agreed to coordinate foreign economic activity, that is, the duty on imported and exported goods should be identical. The customs posts have to be removed and transferred to the external borders of the Commonwealth. Representatives of our states will participate in border control also. We also reached agreement on a joint approach to excise policy. This, perhaps, is the essence of stage one.

The problem of reciprocal currency convertibility is added to this—today it has been resolved. You may exchange the currency of Russia at any exchange outlet of our republic. The countries have agreed, furthermore, to mutually support the value of the ruble and the tenge. Mutual payments have come to be made freely.

It should be said for fairness' sake that hundreds of various details have surfaced in the process of the work. And major problems also, which we have scrupulously cleared up. Now all this is behind us—the priority business, in any event. We now have a common customs policy and are switching to common statistics. The customs codes of the two states are practically identical—we made adjustments to the document that had already been prepared and reconciled it with the Russian side. The states' basic customs duties are now identical, and on some matters Russia accommodated us, what is more—when the duty on automobiles, cigarettes, and certain other commodities was being determined.

Stage two of the Customs Union provides for concerted action in mutual payments, price and tax policy, and the synchronization of economic reform. Mechanisms that simplify financial transactions and afford an opportunity to avoid "driving" large supplies of money across the border need to be found. Furthermore, the solution should, of course, take account of market realities. I believe that this would make it possible to begin the formation of property—of Russia in Kazakhstan, and of Kazakhstan in Russia. Further, it is necessary, finally, to begin the formation of industrial and financial groups, making provision for what is most important—precise, timely mutual payments. There are still unresolved problems in questions of price policy. The prices of products for enterprises of monopoly operators in both countries, say, should coincide—for oneself and for one's Customs Union neighbor. This, in brief, is the substance of stage two.

What will appear in stage three? No one knows, for we are, after all, taking an untrodden path....

One extraneous movement is sufficient to smash the vase into thousands of pieces. Colossal efforts are needed to glue it back together.

[Kirinitsiyanov] Kazakhstan took down the customs posts long since, Russia kept them there for a long time—I have this information. Many people saw this as an infringement of the rights of the citizens of the Republic of Kazakhstan.

[Isingarin] For Russia to have taken down the posts on Kazakhstan's northern border, they would have had to have been created from scratch, but on our republic's southern border. But three sovereign states—Kyrgyzstan, Uzbekistan, and Tajikistan—decided to accede to the Customs Union. Consequently, the need to transfer the posts disappeared. That is, we pushed the customs border to the border of the former Union.

At the same time I see no particular problem in the customs posts remaining on the Kazakhstani-Russian border. They will not impede the free movement of conventional freight and will "catch" weapons and narcotics and detain the criminal element. In the last days of last December, incidentally, President of Russia Boris Yeltsin signed an edict on the lifting of customs

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control on the Russian Federation's border with the Republic of Kazakhstan.

[Kirinitsiyanov] A good idea. But how will it be realized? Information is filtering into the press to the effect that the customs posts are engaging in extortion. The situation will hardly change for the better if these posts are not abolished. The external border of the CIS is another matter. The situation is more exacting here, and tougher demands are made of the personnel. Customs within the Customs Union seems to me a nonsense. Which is borne out by the situation at Sheremetyevo, which I have mentioned....

[Isingarin] This November the Government of the Republic of Kazakhstan adopted a decision on the procedure of the crossing of borders by our citizens. The requirements are the same as in Russia, in fact. Now the leaders of the Customs Committee of Russia have agreed to recognize the customs declarations of our republic. A citizen of Kazakhstan flies to Poland, let's say. He fills out in Almaty a declaration which will be valid in, say, Kaliningrad. That is, he is subject to a customs inspection once. If, however, a passenger from Almaty flies to Moscow, he undergoes no inspections.

Possibly there will be in our Customs Union a stage where internal control posts are removed also. Kazakhstan aspires to this, at least.

Of course, I do not mean to say that no problems are arising as we go along. But we are moving toward the goal—with slow steps, perhaps, but with mutual persistence.

And this applies not only to Kazakhstan's relations with Russia, what is more. As I have already said, our three southern neighbors have declared a desire to join the Customs Union. Splendid! But Uzbekistan sells us gas costing $13 per 1,000 cubic meters for $50. We say: Let's arrive at a unified price. After all, the price at our grain exchange is identical for all: Russians, Kyrgyz, Uzbeks.... As for consumers within Kazakhstan also. The same with petroleum products. Their price in Russia and Kazakhstan is practically identical and is determined only by quality and transport costs, but not by extra duty.

[Kirinitsiyanov] Nigmatzhan Kabatayevich, each union is a compromise. Tell us the details....

[Isingarin] I well recall how we "fought" over Article 140 of the Customs Code of our republic. It was strictly recorded in Russia that the duty on imported and exported commodities would be collected compulsorily. This conflicted with our Civil Code—duty was collected with the consent of the citizen transporting the freight. A difference, you will agree. Sizable. I personally was for making the wording tougher—per the Russian model—to afford no loopholes. Ultimately, without violating the code, we found wording that is essentially no different from the Russian wording.

Another example—customs duty on machinery imports. We had a ceiling of 20 percent of the machinery's cost, the Russians, of 75 percent. We haggled for a long time, but arrived at our version. Now customs duty on foreign car imports—both in Russia and in Kazakhstan—ranges from 10 to 20 percent. We were able to reach agreement on cigarettes and prescription drugs. We are currently negotiating on the value-added tax on equipment which is imported on the basis of contracts. That is, this is lengthy and, at times, thankless, although extremely necessary, work....

[Kirinitsiyanov] You mentioned as a strategic task the creation of industrial and financial groups. You were quite harsh at a news conference in your criticism of the position of the Ministry of Finance of Russia and the Ministry of Economics on this issue. What has changed?

[Isingarin] The difference in the approaches to the formation of industrial and financial groups with us persists. What is the essence of the disagreements?

Representatives of Russian capital, for example, address to us a request to purchase the shares of some enterprise. Or to exercise fiduciary management of it in full. We reply: "Certainly!" Look into the financial situation, purchase, get to work.

But a financial and industrial group is somewhat different. Some managers understand by this a restoration of the strict linkage of the enterprises that recover the raw material and process it. After all, the entire Soviet Union was essentially one giant industrial and financial group. All addresses were prescribed by the State Planning Committee and the State Committee for Material and Technical Supply in advance, and we knew in which direction the raw material would move and where the components and spares would come from. And where to ship the product. It remained only to concern ourselves with production.

Now, though, we say: A financial and industrial group will start work if a minimum of three conditions are observed. First, the price of the raw material must not differ all that much from the market price, second, it is essential that the consumer-enterprise make the prepayment in full. Everything is determined by economic interest, otherwise what kind of market is this? And the third condition. The enterprises that become a part of an industrial and economic group do not lose their independence and pay taxes here in the

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republic. Otherwise it would be simply disadvantageous for us, why go to the trouble in the first place....

Now see what is happening. In Kazakhstan the main enthusiasts of this idea are the leaders of the Ministry of Finance and the Ministry of Economics, with the full understanding of the Cabinet of Ministers, naturally. In Russia, "pure" industrial workers, who worked previously with partners in Kazakhstan. We, however, would like to hear from primarily financial experts, economists. But these are exhibiting no particular enthusiasm....

One Russian enterprise offers a Kazakhstani enterprise a so-called "consolidated balance sheet." That is, it is proposed that the entire profits tax be paid to Russia. Pretty good "consolidation".... The Kazakhstani enterprise would in this case become a structural subdivision, as it were, of the Russian enterprise, its subsidiary, to which we emphatically cannot agree. It is essential, moreover, to determine legislatively how part of the overall profit would be returned to Kazakhstan. An agreement between the two directors is not enough here. Some solid work needs to be done by lawyers, planners, and financial experts.

If, however, the Russians want to create their own subdivision in Kazakhstan, certainly. Let them purchase it—this, as they say, is quite another matter.

In any event, there will be no discussion without experts of the Ministry of Economics and the Ministry of Finance of Russia.

[Kirinitsiyanov] Where precisely in Kazakhstan is there a prospect of the creation of such groups?

[Isingarin] In the south of the republic, where the large phosophorite deposit is located, not far from the city of Karatau. In the east, where the reserves of complex ores are concentrated.

The creation of an PFG [industrial and financial group] at the "coupling" of Magnitka and the Sokolovsko-Sarbay Works is possible. Only, I repeat, if our works leaves the taxes here in the republic....

So I see no particular problem. It is simply that we and the Russians must reach agreement on what we mean by the term "industrial and financial group."

While, for that matter, discussions are under way at the upper echelons of power, the enterprise managers are negotiating and getting down to business. Take the Kostanay Avtodizel Plant, which was built as an affiliate of the Urals Automotive Plant. We have acknowledged that 25 percent of the stock belongs to the Russians. We transferred a further portion of the shares without compensation. Just as long as the plant operates, manufactures the product, and affords people an opportunity to earn.

[Kirinitsiyanov] Nigmatzhan Kabatayevich, let us switch from general economic models to particularities. I am interested in the fuel and energy complex. What is the strategy here, what is the main objective: Does Kazakhstan aspire to maximum fuel independence or is it attuned to maximum integration with Russia on this issue?

[Isingarin] I am calling for the problem to be viewed on a broader plane. I am of the entirely unequivocal viewpoint that no state can exist normally unless it has transport systems "on all four sides." This applies not only to oil pipelines, what is more. While I was chief of the Almaty Railroad and minister of transport, I vigorously defended and put into effect the idea of Trans-Asia—a main railroad artery—from Pacific ports of the Pacific [as published] to Antwerp and Istanbul. In 1995 the republic transported 1.1 million tonnes of freight through Druzhba Station, and 2 million tonnes are planned for 1996. These are record indicators for the whole time that the station has been in existence. And this is not, after all, purely Kazakhstani freight, what is more—partners in Russia, Uzbekistan, Ukraine, and Belarus are working with the Chinese via Kazakhstan—to our common advantage. Containers from West Europe also have already passed through.

Thus the republic's railroad is operating on all four sides.

Motor caravans have already traveled to Iran and Turkey. Last year I took part in a trial run to the Pakistani city of Gilgit—across China, along the Alpine Karakorum Highway. All the necessary agreements have already been signed, and the route awaits business people on both sides of the border.

The same with the pipelines also. We will undoubtedly take part in the construction of the Tengiz-Novorossiysk oil pipeline. In addition, we will transport some of the oil via Azerbaijan. If there is in this "pipe" a quota for Kazakhstani oil, why should we not take part in the construction? And why not dream about a Chinese version?

In laying new transport systems we should not, for that matter, forget about the old ones. Take the power line that starts in Kazakhstan's Rudnyy Altay, goes to Altay Kray, returns to Kazakhstan, to Pavlodar Oblast, and once again goes into Russia. Why not form a joint venture on the basis of this power system? Negotiations with the Russian side are under way, but I would like to see a result....

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If we recall the Ekibastuz state regional electric power station? Operating the power station independently is very, very difficult for the republic. Especially since practically all the equipment for it was manufactured in Russia. We could lease out the station or assign it for long-term management—call it what you will. Especially since some of the electric power could go to Russia....

I met twice last December with the deputy head of the Government of the Russian Federation in Moscow. We negotiated on matters of principle. The year of 1996 will be one of important decisionmaking—in sectoral integration. It is contemplated signing an agreement on an energy union between the Russian Federation and Kazakhstan and on integration of the railroad systems and a number of others.

## Tajikistan

### Tajikistan: Rakhmanov Says Situation 'Manageable'

*LD0102151896 Moscow ITAR-TASS World Service in Russian 1449 GMT 1 Feb 96*

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Translated Text] Dushanbe, 1 Feb (ITAR-TASS) — Tajik President Emomali Rakhmanov described the socio-political situation within the republic as difficult but manageable when he addressed the deputies of the national parliament today. "We will not allow armed conflict and provocations to spread," he declared.

According to the head of state, talks with the leaders of the rebellious armed groups in Kurgan-Tyube and Tursunzade are being conducted by the members of the deputies' commission that was formed today at a session of the national parliament. Deputies will be given precise information about the outcome of the talks.

The Tajik president also appealed to representatives of the local and foreign media to give "truthful and objective information about the situation in Tajikistan, and not to exacerbate or inflame the situation."

### Tajikistan: Rakhmanov Claims Coup Being Prepared

*LD0202111596 Moscow ITAR-TASS World Service in Russian 0848 GMT 2 Feb 96*

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Translated Text] Dushanbe, 2 Feb (ITAR-TASS) — The leaders of the anti-government armed groupings headed by Ibod Boymatov, former mayor of the Tajik town of Tursunzoda, and Mahmud Khudoberdiyev, commander of the 1st Motorized Rifle Brigade of the Defense Ministry of Tajikistan stationed in the town of Kurgan-Tyube, are not yet making any compromises and are insisting that their demands should be met. These demands were read out at the session of the national parliament that is continuing today by Abdulmajid Dustiyev, deputy speaker of parliament and head of the deputies' commission. Over the past 24 hours, the deputies' commission, split into two groups, has held talks with the rebels.

Dustiyev said that the Kurgan-Tyube grouping is insisting on the resignation of the local administration of Khatlon Region and also of Mahmadsaid Ubaydullayev, first deputy prime minister of Tajikistan, and Defense Minister Sherali Khayrulloyev. The Tursunzoda grouping is insisting on the resignation also of Izatullo Khayeyev, first deputy prime minister and head of the president's apparatus. There are also economic demands.

Speaking at the session, President of Tajikistan Emomali Rakhmanov stated that the actions in Tursunzoda and Kurgan-Tyube had been planned in advance and that a military coup was being prepared. He stressed that all issues should be resolved only within the framework of the Constitution and existing legislation.

"I am prepared to meet the commanders of the groupings anywhere and at any time in order to resolve the issues peacefully," Rakhmanov stated. "However, I shall not accept any preconditions and I shall not take any decisions under pressure of force. Weapons should be surrendered and the rebels should surrender to the authorities." If weapons are surrendered voluntarily, the authorities will guarantee the rebels' personal safety.

The president made serious complaints against the members of the deputies' commission who, he said, had not fulfilled the tasks they had been set but had restricted themselves to compiling a protocol. Therefore, the talks should be continued.

The situation around Kurgan-Tyube and Tursunzoda remains tense. The leaders of the armed formations are awaiting the decisions of the president and the session.

### Tajikistan: Foreign Ministry Reports on Ashgabat Talks

*LD0102172896 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 1 Feb 96*

[Statement by the Ministry of Foreign Affairs of the Republic of Tajikistan; place and date not given]

[FBIS Translated Text] As the continuous round of the inter-Tajik talks on a peaceful political settlement

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of the conflict is under way in Ashgabat, and despite agreements reached on a cease-fire and on ending other hostilities, armed groups of the irreconcilable opposition are openly ignoring the Tehran [cease-fire] agreement signed on 17 September 1994 in Tehran. The opposition's armed groups are stepping up their terrorist operations in Tavildara district.

For instance, according to the Ministry of Defense of the Republic of Tajikistan, a group of militants led by Field Commander Mirzo Ziyoev fired on government positions on 30 January 1996 near the area of Layron.

The armed opposition began an extended military operation on 31 January at 1700 in the Tavildara operational zone. People from units of the republic's Defense Ministry were killed and wounded.

The leadership of the Republic of Tajikistan believes this was a hostile and provocative act, that it was no accident that it took place during the talks and that the aim was clearly to break the talks and destabilize the situation in the country.

A note relating to this has been sent by the Foreign Ministry of the Republic of Tajikistan to Darko Silovic, the UN secretary general's deputy special envoy to Tajikistan, the head of the UN mission in the Republic of Tajikistan. Darko Silovic was asked to give the note due assessment and to inform the opposition leadership of the events so that they may take urgent measures to prevent violations of the temporary cease-fire.

Following instructions from the Government of the Republic of Tajikistan, the Foreign Ministry of the country declares that if the situation in Tavildara district is destabilized further by the armed groups of the opposition, all of their illegal operations will be resolutely stopped using all possible means. The organizers of the provocations should be in no doubt about this. At the same time, all responsibility for causing fratricidal armed hostilities and for their consequences will lie entirely with the leaders of the Tajik opposition.

The treacherous operations of the opposition will strike a blow at millions of Tajiks hoping for a peaceful solution of the inter-Tajik conflict. The Foreign Ministry of the Republic of Tajikistan, on behalf of the government, expresses its hope that the leaders of the opposition will take urgent measures to stop the unlawful operations by their armed groups on the territory of the Republic of Tajikistan, because this will threaten a real breakdown of the talks process in Ashgabat and may force the government of the Republic of Tajikistan to recall its delegation from the talks as a sign of legitimate protest.

**Tajikistan: UN Envoy Sees Progress in Ashgabat Talks**

*LD0102221196 Moscow INTERFAX in English 1936 GMT 1 Feb 96*

[FBIS Transcribed Text] ASHGABAT, Feb 1 (INTERFAX) — Special envoy of the U.N. secretary general Ramiro Piris-Ballion has described as important progress the decision of the delegations to the inter-Tajik talks in Ashgabat to form a commission for drafting the rules of the forum of Tajik people. The commission was formed by three government and three opposition representatives.

The envoy said the atmosphere at the talks is good and both sides demonstrate a constructive approach.

Head of the government delegation Foreign Minister Talbak Nazarov told the press that the approaches of the sides to the forum idea are close. "There are several details that require explanation and we promised to give them," the minister said.

Head of the opposition delegation Akbar Turajonzoda said: "It is hard to say so far whether there are points of coincidence on the forum issue. The commission will start functioning Friday and then we will see."

It was decided that the commission would work every morning alternately at the residences of the two delegations. Plenary sessions are due in the afternoon.

The U.N. official said other key aspects of settlement in Tajikistan would be discussed Friday.

On the situation in Tavildar region where clashes continue between government troops and the opposition, he said the mission of U.N. military observers is on its way to the area on a fact finding mission. As far as he knows, there are no large-scale hostilities there at the present stage.

Turajonzoda said late in the evening he was told a ceasefire agreement had been reached in Tavildar.

**Tajikistan: Rebels Not Opposed To Rakhmanov**

*LD0102172196 Moscow Mayak Radio Network in Russian 1530 GMT 1 Feb 96*

[FBIS Translated Text] Colonel Mahmud Khudoyberdiyev, the commander of the rebels, said today that his brigade will not return to barracks as long as their demand for the resignation of the government and the local authorities of Tajikistan has not been fulfilled.

At the same time, the colonel stressed that the rebels are not coming out against President Emomali Rakhmanov who was elected head of state by the entire people.

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**Tajikistan: Situation Stable in Dushanbe**

*LD0202120996 Moscow INTERFAX in English 1040 GMT 2 Feb 96*

[FBIS Transcribed Text] DUSHANBE, Feb 2 (INTERFAX) — The situation on the approaches to Dushanbe has returned to stability, a highly knowlegeable source on the staff of the Tajik power structures told INTERFAX.

Armed supporters of ex-mayor Ibodullo Boymatov of the city of Tursunzade left the Choryakkoron roadblock, 14 kilometers west of Dushanbe, for Tursunzade, Thursday night. They pressed no demands on the Dushanbe government.

Several dozen armed supporters of the commander of the Tajik Defense Ministry's 1st Brigade Mahmud Khudaberdiyev retreated to the Pakhrabad Pass, some 30 kilometers south of Dushanbe. The brigade is headquartered near the capital city of the Khatlonskiy Region, Kurgan-Tyube.

They took hostage, only to release after a few hours of negotiations, 28 presidential guards at a traffic police checkpoint on January 31, the same source said.

As of this hour, the presidential guard exercises full control of all southern approaches to Dushanbe. The law enforcement bodies and a border guard brigade of the Tajik Security Ministry are responsible for the protection of the western approaches to the Tajik capital. The up to 500 strong brigade under Colonel Saidsho Shamolov was shipped over to Dushanbe from the Kumsangirskiy District lying some 200 kilometers south of the Tajik capital.

The source described the situation in Dushanbe as quiet and under full control of the law enforcement bodies. Reinforced police teams are patroling the streets but all the shops and farmers' markets are open and city buses are running as usual. No extraordinary developments were reported in the past 24 hours in Dushanbe, the source said.

**Tajikistan: Pamir Conflict Gaining Momentum**

*LD0102153796 Moscow Russian Television Network in Russian 1400 GMT 1 Feb 96*

[Correspondent T. Logunova video report; from the "Vesti" newscast]

[FBIS Translated Text] The Tajik parliament opened a session today in an extremely aggravated sociopolitical situation. There was a quorum, although some deputies failed to turn up. Ibodbullo Boymatov, head of the Tursunzade group of rebels, ignored the session, too.

First, the deputies elected a commission for talks with the rebels. Fourteen parliamentarians left for the areas of conflicts, the towns of Kurgan-Tyube and Tursunzade, where the armed rebels are. They are still sticking to their demands. In his parting words to the parliamentarians, President Imomali Rakhmanov stressed that in this difficult situation, the president and the government should be strictly adhering to the Constitution. The current situation is quite advantageous for the forces of destruction which, according to Imomali Rakhmanov, by provoking a social explosion and hurling the country into the abyss of a new civil war, want to finish off Tajikistan as a single state.

Meanwhile, the conflict is gaining momentum not only in the two mentioned towns, but in the country's eastern part, Pamir region. The Tajikistan Foreign Ministry has said that the armed opposition is conducting active combat operations against the government troops in Tavildara District. The fact that Yuriy Baturin, Russian presidential aide for national security, urgently arrived in Tajikistan today shows that the situation has become aggravated. It seems that Russia does not want to leave Tajikistan to face its explosive problems on its own.

**Tajikistan: Rebels Report Mass Rally in Khorog**

*LD0102171896 Radio Voice of Free Tajikistan in Tajik 0600 GMT 1 Feb 96*

[FBIS Translated Text] Reports from Badakhshan indicate that a mass rally took place in Khorog on 30 January. Its participants were protesting vehemently against the arbitrary actions of Russian border guards. The rally was sparked by the death of a Badakhshan resident who was shot dead by Russian border guards.

Our regional reporter says that civilians in Badakhshan are openly showing their hostility to Russian border guards and to the regime's puppet local administration. This is why a number of Khorog's residents attacked and beat up Russian border guards on 29 January. The Russians shot dead one person and wounded several others.

Alimamad Niyozmamadov, head of the Badakhshan Region [Gornyy Badakhshan Autonomous Region] Administration, was frightened by the rally and has moved to Dushanbe.

**Tajikistan: Delegation, Kurgan-Tyube Rebels Holds Talks**

*LD0102171496 Radio Voice of Free Tajikistan in Tajik 0600 GMT 1 Feb 96*

[FBIS Translated Text] A report received recently indicates that the men of the 1st Brigade, led by

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Mahmud Khudoyberdiyev, are in control of the situation in Kurgan-Tyube.

On 30 January, a delegation of the Dushanbe regime led by Abdulmajid Dostiyev, first deputy chairman of the Supreme Assembly, went to Kurgan-Tyube and had talks with commanders of the brigade and members of the regional headquarters of the Kurgan-Tyube opposition. The talks were not successful for the delegation, [word indistinct] learned the demands of the rebels — the resignation of the government of the republic, reelection of the region's authorities, restoration of the Kurgan-Tyube region, and accord with the United Opposition Forces of Tajikistan, and returned to Dushanbe.

Mahmud Khudoyberdiyev's men severely criticized the media and the republic's leadership for spreading lies and [words indistinct].

**Tajikistan: About 300 Rebels Involved in Clashes**

*LD0102140796 Moscow INTERFAX in English 1316 GMT 1 Feb 96*

[FBIS Transcribed Text] DUSHANBE, Feb 1 (INTERFAX) — About 300 militants are involved in clashes with government troops in Tavil-Dara, 300 kilometers east of Tajikistan's capital Dushanbe, an interior ministry representative in Dushanbe told INTERFAX.

He spoke of fierce battles going on in the region, with the rebels using recoilless guns, mortars and grenade launchers.

The representative said a former clergyman of a mosque in Panj district, Mullo Dzhangi, was in charge of the rebel unit. "The man is known for his radical views and for being one of the staunchest opponents of the government," he said.

As he described the latest attack as being a large scale offensive, the representative blamed the setback on the worsening criminal situation in Kurgan-Tyube and Tursunzoda, the scene of a rebellion by the former supporters of President Emomali Rakhmanov.

At the same time, the representative pointed to the absence of any coordination between rebel leaders in the two cities and Islamic opposition members.

"Their goals and views about the future of Tajikistan are far apart," he said.

**Tajikistan: Khudoberdiyev Releases 28 Servicemen**

*LD0102130396 Moscow ITAR-TASS in English 1235 GMT 1 Feb 96*

[FBIS Transcribed Text] DUSHANBE, February 1 (ITAR-TASS) — A group of 28 presidential servicemen taken hostage last night by the first motor-rifle regiment of the Tajik defence ministry led by Mahmud Khudoberdiyev has been unconditionally released at 15:00 local time Thursday.

The hostages were released with direct mediation of ITAR-TASS correspondent based in Dushanbe Galina Gridneva who arrived in the area to cover the developments in line of duty. Gridneva acted as a parliamentarian at the talks with the armed group of Khudoberdiyev's supporters and managed to convince them that their activities were senseless and immoral.

## Uzbekistan

**Uzbekistan: Tashkent Urges Tajik Groups Not To Use Force**

*LD0102185896 Moscow INTERFAX in English 1634 GMT 1 Feb 96*

[FBIS Transcribed Text] TASHKENT, Feb 1 (INTERFAX) — The parliament and foreign ministry in a joint statement in the Uzbek capital Tashkent have called on the warring sides in neighboring Tajikistan not to resort to force to resolve their conflict.

The statement says that while putting forward their demands, the leaders of rebel groups in Tursunzoda and Kurgan-Tyube must realize their responsibility and how complicated the situation was in that country.

Tashkent has pledged that "the multi-ethnic people of Tajikistan including Tajiks, Russians, Uzbeks and others must rest assured that Uzbekistan will always remain their good neighbor and reliable friend."

**Uzbekistan: Karimov Attends Davos Economic Forum**

*LD0102221996 Moscow INTERFAX in English 1854 GMT 1 Feb 96*

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] [no dateline as received] President Islam Karimov, now in the Swiss city of Davos to attend the world economic forum there, is scheduled to meet leaders of other countries and the business world, presidential sources told INTERFAX.

Karimov is to unveil the priorities of the country's economic reforms to the delegates and reaffirm whatever investment incentives are needed are all there.

He plans to indicate areas of possible foreign investment including railways, replacement or laying down of pipelines and road building.

Karimov is expected to pledge investment security to western businessmen.

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The Uzbek leader is also scheduled to meet President of the International Olympic Committee [IOC] Juan Antonio Samaranch who will hand Karimov an IOC top award for his contribution to the Olympic movement in Uzbekistan.

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## Armenia

### Armenia: Presidential Aide Denies PM's Resignation

*LD0102205296 Moscow INTERFAX in English 1936 GMT 1 Feb 96*

[FBIS Transcribed Text] YEREVAN, Feb 1 (INTERFAX) — The press secretary of the Armenian president Levon Zurabyan in a Thursday interview with INTERFAX denied local media reports that Prime Minister Hrant Bagratyan submitted his resignation.

He said that despite the press reports, the resignation was not discussed at the Tuesday conference at the office of President Levon Ter-Petrosyan.

Meanwhile, members of the ruling party in parliament collected signatures under a petition in support of Bagratyan.

The prime minister has reportedly written several letters of resignation because his efforts to carry out reforms are being resisted.

### Armenia: CIS Assembly's Krotov, Ter-Petrosyan Meet

*NC3101181196 Yerevan Armenia's Radio First Program Network in Armenian 1700 GMT 31 Jan 96*

[FBIS Translated Text] Armenian President Levon Ter-Petrosyan today received Mikhail Krotov, secretary general of the Council of the CIS Interparliamentary Assembly.

Hovhannes Igityan, the chairman of the National Assembly Foreign Relations Commission, and other officials were attending the meeting, which discussed the activity of the CIS Interparliamantary Assembly, the agenda of its next session, and matters relating to the development on interparliamentary ties between the CIS countries. This was reported by the Armenian Presidential Press Service.

## Azerbaijan

### Azerbaijan: Foreign Ministry 'Satisfied' With U.S. Aid

*NC0102205996 Baku TURAN in English 0554 GMT 1 Feb 96*

[FBIS Transcribed Text] Baku 01/02/96 TURAN — January 25-26 the House of Representatives and then the U.S. Senate passed the bill permitting direct humanitarian assistance to Azerbaijan (amendment of Congressman Charles Wilson). On the same day the bill was signed by President Bill Clinton.

The initiative of Congressman Wilson is addition to 907 amendment to Freedom Support Act passed in 1992. That act prohibited providing of direct assistance to Azerbaijan by the American Government.

This provision reads: "...Humanitarian assistance to the Azerbaijani Government can be provided if President considers that assistance of non-governmental organizations to Azerbaijan is not sufficient to meet the requirements of refugees and displaced persons".

Azerbaijan's Foreign Ministry reports Azerbaijan is satisfied with the resolution of the U.S. Congress, which will serve not only for improvement of relations between Azerbaijan and U.S., but will also give new impulse to efforts of international organizations and world community for restoration of just and stable peace in the region.

### Azerbaijan: Aliyev, Turkey's Demirel Exchange Views

*NC0102200596 Baku Radio Baku Network in Azeri 1900 GMT 1 Feb 96*

[FBIS Translated Text] President of Azerbaijan Geydar Aliyev and President of Turkey Suleyman Demirel held a telephone conversation. During the conversation, the Azerbaijani president expressed interest in the situation surrounding the Kardak [Imia] islets. The leaders of the two countries also exchanged views on the development of Turkish-Azerbaijani ties.

### Azerbaijan: Police Attack 'Musavat' Headquarters

*NC0102205396 Baku TURAN in English 1442 GMT 1 Feb 96*

[FBIS Transcribed Text] Baku 01/02/96 TURAN — Today in the morning the police of Sumgait attacked the head-quarter for elections of "Musavat" [Equality] party. During the operation more than 2,000 copies of "Yeni Musavat" [New Musavat] newspaper with a special issue devoted to Isa Gambar, the leader of the party were confiscated, according to press-centre of "Musavat" party.

Representative of the party states, the same policemen put stealthily bullets into the building of the head-quarter. Head of the office Yusif Salmanov was detained and driven to Police Office.

"This action is the constituent part of policy of the power towards the opposition," commented on that event secretary of "Musavat" party Sulhaddin Akberov. According to him, the power tries to prevent representatives of "Musavat" to run pre-election campaign. He proposed that on February 4, the day of repeat elections, the power will try to put obstacles on the way of opposition.

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"Musavat" party opposes anti-democratic and illegal actions and demands to put an end to tyranny," the statement of "Musavat" reads.

**Azerbaijan: 1996 Draft Budget 'Unsatisfactory'**

*NC0102210096 Baku Radio Baku Network in Azeri 1900 GMT 1 Feb 96*

[FBIS Translated Text] A meeting was held yesterday under Azerbaijani President Geydar Aliyev to discuss the republic's 1996 draft budget. Leading and responsible officials from the presidential apparatus, National Assembly, and Council of Ministers took part in the meeting.

The meeting concluded that the draft budget was unsatisfactory and recommitted it for redrafting.

The Council of Ministers was instructed to introduce the necessary corrections to the draft budget within a week, to prepare the program aimed at stabilizing the production sector in the republic, and to submit proposals to the Azerbaijani president on the cancellation of mutual debts between enterprises.

Azerbaijani President Geydar Aliyev brought the meeting to conclusion by summing up its result.

## Georgia

**Georgia: National-Liberation Movement Condemns Treaty**

*AU0102133596 Tbilisi IVERIA EKSPRESI in Georgian 25 Jan 96 p 1*

["Statement by the Political Associations in the National-Liberation Movement on Account of the Treaty Concluded With Russia" issued in Tbilisi; date not given]

[FBIS Translated Text] On 17 January 1996, the Republic of Georgia Parliament ratified the Treaty "on Friendship, Good-Neighborly Relations and Cooperation Between the Republic of Georgia and the Russian Federation."

Given that this treaty limits to a significant degree and compromises the sovereignty of the Georgian state and opposes Georgia as an independent state and its national-state interests;

Given that this treaty sharply contradicts the universal principles laid down in the fundamental documents of independent Georgia — we have in mind the following legal-state documents:

a) The Act of Georgian Independence that was adopted by the Georgian National Council on 26 May 1918;

b) The Georgian Constitution that was adopted by the Georgian Constituent Assembly on 21 February 1921;

c) The Act of Restoration of the State Independence of Georgia by the Republic of Georgia Supreme Council on 9 April 1991;

Given that this treaty opposes the unanimous will expressed by the Georgian nation and Georgian population in the universal referendum of 31 March 1991,

We, the political associations that signed the joint statement of the Georgian national-liberation movement on 26 December 1995, condemn in principle the ratification of this treaty by the Georgian Parliament and, in addition, express our great alarm at the expected misfortune that could befall us following the legalization of Russian military bases on the territory of Georgia for a period of 25 years. Georgia's current Parliament, which unquestionably represents Mr. E. Shevardnadze's submissive majority, has clearly manifested its antinational and collaborationist nature and aim, as a result of which the real danger of the loss of Georgia's state independence has increased sharply.

Therefore, in order to save and strengthen Georgia's state independence, the powerful national-liberation movement should once more embrace our entire motherland. Love for Georgia and its freedom and independence and future should unite and firmly bond the entire Georgian people.

In addition, we state that we support in principle normal and constructive relations with the Russian state and, to this aim, the conclusion of a treaty with this country that is based on principles of equality and respect for each other's complete independence and guarantees the inviolability of Georgia's territorial integrity and noninterference in its internal affairs on the part of Russia and the complete termination of the military occupation that began in February 1921.

**Georgia: Ardzinba Calls For 'Mutual' Compromise**

*LD0102175496 Tbilisi BGI in Russian 1112 GMT 1 Feb 96*

[FBIS Translated Text] At a news conference held yesterday in the lower chamber of the Russian parliament, Abkhaz separatist leader Vladislav Ardzinba called on Russia to revoke the Moscow summit's decision. Georgiy Tikhonov, the chairman of the State Duma Committee for Cooperation between the CIS States, supported Vladislav Ardzinba. Answering a question from Georgian television as to whether Abkhazia intended to hold talks, Ardzinba said that the compromise must be mutual.

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If you are going to rely on power in the future, the result will be the same, but if you intend to treat our people with respect, then let us sit at a negotiating table and find ways for the problem settlement, Ardzinba declared.

**Georgia: Armenian President 'Grateful' to Georgia**

*AU0102144396 Tbilisi KVIRIS PALITRA in Georgian 22-29 Jan 96 p 3*

[Published from KAVKASIONI No. 7: "Levon Ter-Petrosyan: 'I Am Very Grateful to the Georgian Nation'"]

[FBIS Translated Text] The visit by the Georgian Parliament delegation to Yerevan culminated in a meeting with Republic of Armenia President Levon Ter-Petrosyan. Mr. Zurab Zhvania [Georgian Parliament chairman], once again emphasized the fact that the first official visit by a delegation from the newly elected Georgian Parliament was precisely to Armenia, which shows the importance of friendly and good-neighborly relations between our countries. Furthermore, the chairman of the Georgian Parliament linked the restoration of Georgia's territorial integrity to the resolution of many vital problems for Armenia and added that these problems would be completely resolved when Georgia's jurisdiction is restored over the country's entire territory.

Mr. Levon Ter-Petrosyan particularly emphasized the following: "In these most difficult surroundings, it is essential for the survival of our countries that we have close friendly relations." As regards those rayons in southern Georgia that are densely populated by Armenians, Levon Ter-Petrosyan believes that the problems that have arisen there should in no way be discussed in a political or ethnic context. Problems pertaining more to daily life have accumulated in these rayons. They relate to a number of civic issues and when Georgia is able to protect its citizens socially and provide for them, these problems will be automatically resolved. "I, as the country's leader, once again state that we do not have any kind of political claims against Georgia. On the contrary, we are very grateful to the Georgian nation that has provided shelter for the persecuted Armenian people and created unique conditions for their cultural and spiritual development. In no other country do Armenians have so many schools and churches. In Georgia, there is an Armenian theater, there are Armenian newspapers, and so forth. I thank you very much for all this."

**Georgia: Former President's Associates on Trial**

*LD0102223496 Tbilisi Radio Tbilisi Network in Georgian 1500 GMT 1 Feb 96*

[FBIS Translated Excerpt] A court trial of Vakhtang Kobalia [commander of rebel forces in 1993 civil war], Jumber Bokuchava, Simon Zhghenti, Zviad Dzidziguri, and Nugzar Molodinashvili started at the Georgian Supreme Court on 1 February. A small courtroom could not hold all the kin and friends of victims, as well as correspondents interested in the trial. It should be mentioned that correspondents found it very difficult to get into the courtroom. In this connection, a correspondent called on the judge to give correspondents a chance to assess the developmenst adequately if he did not want misinformation to circulate outside the courtroom.

In compliance with procedural regulations, each accused expressed his view on the proceedings. [passage omitted]

Vakhtang (Loti) Kobalia, born in the village of Odishi in 1956. [passage omitted] Kobalia regards the court trial as a sham, although he has no claims against the judge.

Jumber Bokuchava, born in Zugdidi in 1956. [passage omitted] He was the commander of operational services of the former Georgian Guard. He demands that he be allowed to attend the trial wearing his military uniform.

Simon Zhghenti, born in Vorkuta [Russia]. [passage omitted] The accused has claims against the prosecutor Tsereteli and asked the judge to replace the prosecutor by a Baluashvili. He concocted the accusations and let him prove those, Zhghenti said.

Zviad Dzidziguri, born in the village of Marani in 1964. [passage omitted] He was a deputy of the former Georgian Supreme Council [during Gamsakhurdia's presidency]. He said he was not satisfied with the court and regarded the trial as a sham. Dzidziguri gave friendly advice to the judge not to get involved in that filthy case. [passage omitted]

Nugzar Molodinashvili, born in Tbilisi in 1955. [passage omitted] He was a deputy of the former [Gamsakhurdia's] Supreme Council. Molodinashvili did not voice any grievances or suggestions with regard to the court or the trial.

The trial has been adjourned until 7 February because of certain administrative reasons.

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## Estonia

### Estonia: Ex-Military Advisor Alleges U.S. 'Spy Network'

*WS0202084296 Tallinn BNS in English 1646 GMT 31 Jan 96*

[FBIS Transcribed Text] Tallinn, Jan 31, BNS — The main aim of U.S. officers serving as advisors of the Estonian defense forces may be to lay the groundwork for a U.S. spy network, retired Finnish army Col. Matti Lukkari, Estonian defense forces former advisor, writes in a book published in Finland on Wednesday.

The book, Estonia's Rise to Independence, makes only one reference to the alleged creation of a U.S. spy network in Estonia: "Their (U.S. officers' — BNS) main aim is believed to be the creation of an American intelligence system in Estonia."

Lukkari says the U.S. officers sent to the Estonians' assistance did not very actively participate in routine training, contrary to their Finnish counterparts.

The former military advisor also mentions the former defense forces commander, Aleksander Einseln, among the U.S. officers serving in Estonia.

In his book, Lukkari recalls an incident in May 1993 when Einseln's appointment to the post of defense forces commander was being discussed in parliament. He quotes Einseln's answer to a question in the parliament's state defense commission as to which oath of allegiance Einseln would stand by, the U.S. or the Estonian one: "The U.S. one, of course."

The Estonian defense forces former chief of general staff, retired Col. Arvo Sirel, did not wish to comment on Lukkari's statements, saying he had not read the book. He only said, "I know Lukkari well, there was good cooperation with him."

Sirel added he hadn't had any conversation with Lukkari apart from professional matters and he hadn't been aware Lukkari was intending to write a book about Estonia.

### Estonia: Policemen To Help Keep Order in Bosnia

*WS0202105396 Tallinn BNS in English 1603 GMT 1 Feb 96*

[FBIS Transcribed Text] Tallinn, Feb 01, BNS — Estonian policemen will be included in an international police force to maintain law and order in war-ravaged Bosnia.

The Estonian foreign ministry press secretary, Juri Arusoo, told BNS the United Nations were intending to create a police force of about 1,500 strong to maintain law and order in Bosnia.

"The police detachment will be something like the UN peace-keeping force, with the difference that it won't take part in military operations," Arusoo said.

The United Nations offer to send policemen to the detachment was extended to a number of countries, including Estonia. Estonia will probably appoint 10-15 policemen for the force in Bosnia. No separate Estonian police detachement will be formed, however.

The press secretary was unable to say when the Estonian policemen would leave for Bosnia.

Arusoo underlined it was a single operation, and there were no plans to set up an international detachment to police areas of crisis in various parts of the world.

"It will be a single operation that offers a good opportunity for Estonian policemen to learn from the experience of others," the foreign ministry press secretary said. "But it cannot be excluded the United Nations may use the international police detachement in the world's other hot spots."

### Estonia: Russian Minister Notes 'Colder' Relations

*WS0102123696 Tallinn BNS in English 0958 GMT 1 Feb 96*

[FBIS Transcribed Text] Tallinn, Feb 1, BNS — Estonian-Russian relations are no longer cool but are becoming colder, and the main reason for this is the situation of Russians in Estonia, Aleksandr Udaltsov, a high-ranking Russian foreign ministry official, told BNS.

Udaltsov, deputy director of the Russian foreign ministry 2nd European department, said the main reason for the cooling of Estonian-Russian relations was the situation of Russian residents in Estonia.

"The majority of Russians in Estonia would like to become citizens of your country /../ but they have a very limited possibility of being granted citizenship. They were made aliens overnight," Udaltsov told the Estonian daily EESTI PAEVALEHT.

Although many people in Estonia were living on the verge of despair, Udaltsov said, the possibility of an armed conflict was excluded.

The Russian diplomat said he considered it was too dangerous for Estonia to have the Russian residents in Estonia admitting Russian citizenship in large numbers. But he underlined Russia would never start supporting separatist sentiments if Russian citizens in northeast Estonia began voicing demands of autonomy.

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"But still, what will the state of Estonia do then, and what will we do?" Udaltsov asked, regarding the possibility of such an eventuality as quite realistic.

The Russian diplomat blamed Estonian diplomats for the poor state of affairs in Estonian-Russian relations, although he did not deny there had been mistakes also on the Russian side.

"Estonian politicians lack the understanding who they should regard as their allies in Russia," Udaltsov said. "Many Estonian politicians are looking at today's Russia as they did at the Soviet Union. They haven't realized it is an entirely different state."

He expressed apprehension whether Estonian politicians were capable of or willing to pay serious attention to the improvement of Estonian-Russian relations.

In his interview to EESTI PAEVALEHT Udaltsov denied that in 1940 the Soviet Union had occupied the Republic of Estonia.

"Of course the Soviet Union did dot act in a civilized manner, but from the strictly legal point of view there are no grounds to call those developments occupation," the Russian foreign ministry official said. "There was no armed invasion which could be interpreted as activity preceding aggression."

Because of the complexity of Estonian-Russian relations, Udaltsov said, we should not be inhibited by our past. "For the time being we should simply let it alone," he said.

He said Russia would like to set up a bilateral commission of historians to dig in the archives and work out appraisals. "Unfortunately the idea has not been supported in Tallinn," Aleksandr Udaltsov said.

**Estonia: 1995 Foreign Trade Data Reported**

*WS0202110296 Tallinn ETA in English 2021 GMT 1 Feb 96*

[From "News Bulletin" No. 19]

[FBIS Transcribed Text] Estonian foreign trade deficit reached 7.93 billion kroons in 1995, Statistical Office of Estonia reports. Goods were exported for 21 billion kroons and imported for 29 billion kroons.

Finland was Estonia's most important trade partner, accounting for 21.4 per cent of the export and 32.6 per cent of the import. Russia followed, taking 17.5 per cent of the export and giving 16.1 per cent of the import.

Foreign trade deficit with Finland was 470.1 million kroons and that with Russia 56.2 million kroons.

Export to Sweden formed 10.8 per cent of the total exports, while import was 8.5 per cent of the total. Export to Germany was 7.2 per cent of the total and import from Germany 9.6 per cent of the total imports.

10.5 per cent of the goods imported in 1995 were warehoused in the customs, 30 per cent were re-exported (20.5 per cent of these goods were manufactured in Estonia before that).

Statistical Office considers the destination country of the goods for imports and the origin country for exports.

## Latvia

**Latvia: IMF Experts Advise PM To Cut Deficit**

*LD3101163796 Moscow ITAR-TASS in English 1613 GMT 31 Jan 96*

[By Galina Kuchina]

[FBIS Transcribed Text] RIGA, January 31 (ITAR-TASS) — Experts of the International Monetary Fund advised the Latvian premier to cut the budget deficit from 60 to 40 million lats (about 92 million dollars), because Latvia has little chance to borrow money.

A team of IMF experts was to leave Latvia on Wednesday after a two-week visit to the country. The delegation studied the current situation in the Latvian economy.

The country's draft budget for this year has already passed the first hearing in the parliament.

Commenting on the figures, Premier Andris Skele noted that the budget could just provide for "wage payments and warm radiators." If to compare the state to an enterprise, one should admit that the state is a bankrupt, he said.

The continuing increase in the budget deficit was not accompanied by growth in the gross national product, which dropped by two percent last year, the premier noted.

The country is deeply in debt. "We are getting similar to indigenous people waiting on a sea shore for U.N. ships carrying canned fish," he said.

Any law leading to an increase in spendings should be considered as "a crime and economic sabotage," the prime-minister added.

According to analysts, under the current shortage of finances in all the sectors, Latvia may ignore the IMF recommendations. However, in this case, the country risks getting foreign credits. Latvia did not meet its earlier commitments with the IMF. The current visit of the IMF delegation to Latvia was aimed at clearing up whether Latvia would continue the "contractual ties" with the fund. The IMF experts advised to improve tax collection, speed up the privatisation process and adopt a number of laws necessary for the economic development.

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